Living conditions and quality of life

Becoming adults: Young people in a post-pandemic world
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Executive summary

Introduction

By the end of the COVID-19 pandemic, many young people in Europe found that they had been forced to change at least parts of their plans for the future – for their educational and career paths, for their housing circumstances and for starting their own families. The labour market in Europe continues to be strong, and favourable economic conditions have contributed to a youth employment rate higher than that seen at any time in the previous 15 years. However, pressures on young people’s plans have increased when it comes to housing and the cost of living, and concerns about youth mental well-being remain. This report provides an in-depth overview of young people’s lives post-pandemic, with a focus on plans for the future and the circumstances that can either hinder their fulfilment or help towards it.

Policy context

During the pandemic, the focus of policy was helping businesses survive, but the EU institutions were also quick to increase youth employment support, introducing the reinforced Youth Guarantee, which extended the age limit for those targeted under the scheme from 25 to 29 years. Progress made and challenges experienced in implementing the scheme are outlined in this report, highlighting the importance of continued support for the reinforced Youth Guarantee. This is particularly necessary because youth-related employment measures have been somewhat underrepresented among those supported by the Recovery and Resilience Facility.

Key findings

- The youth employment rate in the EU is higher than at any time since 2007, and the percentage of young people not in employment, education or training (NEET) is historically low. Furthermore, the proportion of discouraged workers among NEET young people is at its lowest recorded level.
- There are signs of improvements in job quality for young people, with fewer involuntary temporary contracts, greater perceived job security and better work-life balance than during the pandemic years.
- However, young people are less satisfied with their jobs than older cohorts and would like more autonomy at work. Nearly half of young people want to change jobs within a year, and the proportions are higher among those never able to work from home and those with insecure contracts.
- Most young people are looking for opportunities for training or further education. Experience of a traineeship is common in the EU. However, inequalities – for example, gender disparities – have been found to affect traineeship quality.
- Housing difficulties are among the main obstacles to young people becoming independent. Young people who are less financially well off are less likely to be able to move out of the parental home, which in turn may put financial strain on the household. As a result, young people living with their parents are most likely to have difficulty making ends meet.
- Mismatches between young people’s aspirations and their concrete plans are particularly common when it comes to housing. Increasingly, young people would like to buy a home but find themselves stuck renting. In addition, this report found that unfulfilled aspirations to move out of the parental home are associated with a higher likelihood of feeling excluded from society.
- Young people reported unusually low levels of mental well-being during the pandemic. By 2023, youth mental well-being had improved. However, this improvement was weaker than it was among people over 30. Furthermore, the research found that a mismatch between aspirations and concrete plans, when it comes to getting a job, is associated with higher risk of depression among young people.
- Among young respondents across the EU, 40% would move abroad in the next three years if they could, and nearly a quarter have plans to do so. However, there are large differences between countries.
- Many young people have plans to start their own family soon: over half of under-35s would like to move in with a partner within three years, while about a third would like to get married and a similar proportion would like to have children. Having a higher income and living with parents is associated with a higher likelihood of planning to have children soon. Conversely, LGBTQ+ young people and those at risk of depression are more likely to experience a mismatch between wanting and planning to have children.
With regard to progress on the reinforced Youth Guarantee, pressures on active labour market policies are lower, now that the employment rate among youth is as high as it is, resulting in an overall sense of delay. However, in many southern European countries there are still high NEET rates and regional disparities, and these countries have expressed concerns about the scheme’s capacity to deliver in the most deprived regions.

In many countries, young mothers are now more likely to be NEET than young men, with family responsibilities now the biggest reason for being NEET. However, EU policy measures specifically aimed at young mothers or young women more generally are scarce.

Policy pointers

Continued support for the implementation of the reinforced Youth Guarantee is crucial, especially given evidence that youth-related policies have disproportionately emphasised formal education over labour market integration.

Increased emphasis may be needed on the gender dimension of the NEET rate, as in several countries young mothers are now the group most likely to be NEET.

Previous efforts to implement the Youth Guarantee aimed to expand the capabilities of each country to reach out to young people and improve the framework for matching them with the appropriate service, while setting up new services where necessary. Current efforts also seek to monitor the alignment of services with young people’s needs, with a stronger participatory approach. National and regional strategies should focus on disengaged and vulnerable young people, especially in contexts of lower urbanisation and neighbourhood deprivation, and on providing the required resources and information to institutions and their partners. The report provides examples of good practices from countries including Belgium, Bulgaria, Finland and Spain.

Decent work must be a focus of youth employment policy. The labour market remains precarious and unfair to the young generation, given the cost of living and housing costs. While jobs are available, many are unattractive, badly paid and unable to offer young people a decent living.

While the reinforced Youth Guarantee is seen as primarily an economic/employment policy, its success is closely related to the policy areas of family, housing and childcare, to measures fighting gender and intersectional discrimination, and to synergies with the European Commission’s 2023 mental health strategy.
Introduction

Background and objectives

The worldwide economic and social crises of the past 15 years – the 2007–2008 financial crisis, leading to the Great Recession and followed by a slow recovery; the COVID-19 pandemic and resulting lockdowns; Russia’s invasion of Ukraine, followed by the cost-of-living crisis and the housing crises experienced in many major European cities – have often been reported as having a greater economic impact on younger generations than on older groups (UNHCR, 2023).

Eurofound reported on the impact of the economic crisis on the rate of young people not in employment, education or training (NEET) and the resulting cost to society and on the diversity of NEET young people (Eurofound, 2012, 2016). During the pandemic, it assessed the initial impact of the pandemic on young people (Eurofound, 2021), focusing on declining mental well-being, as reported by many young people throughout Europe, and on job losses and job insecurity during the first lockdowns.

To help young people overcome the impact of the pandemic and to increase support for youth employment across the EU, the Council adopted the reinforced Youth Guarantee on 30 October 2020 (Council of the European Union, 2020). The reinforced scheme extends the age limit for young people targeted under the Youth Guarantee from 25 to 29 years and aims to be more inclusive of young people from vulnerable groups.

By 2023, the youth employment rate had recovered not only to pre-pandemic levels but to levels not seen since before the economic crisis of 2007 began. However, tempering this positive trend in employment, increases in the cost of living, rising housing costs and supply constraints, as well as the frustrations arising from having had to delay plans – and some of life’s major milestones – during the pandemic, continue to create difficulties for young Europeans.

Disproportionately impacted by job loss, housing insecurity and mental health struggles, young people underwent intense hardship throughout the pandemic (Konle-Seidl and Picarella, 2021). Young people across Europe missed out on many ‘firsts’: first year at college, first time in the workplace, first time living outside the parental home. These steps in a young person’s development happen during a period described as ‘emerging adulthood’ (Tanner and Arnett, 2011). During this period of entering adulthood, young people are constantly forming and altering ‘the Plan’, a series of self-prescribed steps that a person takes in practising autonomy (Arnett, 2015). How are young people experiencing emerging adulthood in the wake of a pandemic that created massive social, political and economic challenges?

Young people were forced to reconsider ‘the Plan’ due to financial or health concerns, or in some cases simply because the pandemic removed certain educational or employment opportunities. As the pandemic altered educational and career paths, family and relationship dynamics also shifted under the social and economic pressures of the COVID-19 era. The home became an educational and office setting, as schooling and work were conducted remotely. Some young people who had been intent on moving out of their parents’ homes shifted their plans, opting to stay instead. Other young people with existing plans to marry or start a family grappled with taking a monumental step in the context of an uncertain period, with some postponing their plans and others fast-tracking them. Taking Schmid et al.’s view of autonomy as a product of interactions between an individual and their surrounding environment and community, the pandemic’s effect on relationship dynamics could be understood as also affecting a young individual’s sense of autonomy (Schmid et al, 2023).

‘The Plan’ is shaped not only by an individual’s ideas but also by the political and socioeconomic contexts in which they live. Moving outside the family home is an act of identity exploration, which makes the decision to do so a crucial step in emerging adulthood. Pathways vary among young people in Europe: some choose to live alone, some choose marriage and starting a family, and some choose cohabitation. In northern and most of western Europe, young people are more likely to live alone than they are in central, eastern and southern Europe. Austria, Belgium and Germany prove to be the exceptions, as these western European countries have relatively low percentages of young people living alone (Chaloupková, 2023). Greater shares of people living alone can be a significant contributor to economic growth in Europe, but only if those individuals are active in the labour force and regularly interact with others (Burlina and Rodríguez-Pose, 2023). According to Klinenberg (2013), living alone involves a number of costs, including rent, that are affordable only to the economically active and dynamic. It can stimulate demand for goods and services (housing, utilities, healthcare) and so be beneficial for the economy in general. People living alone may also have more autonomy and flexibility to pursue individual goals (Our World in Data, 2019). Those pursuing education or with higher socioeconomic status are more likely to choose to live alone (Chaloupková, 2023). On the other hand, an individual who is living alone can experience...
pronounced feelings of loneliness if connections outside the home are difficult to make or maintain. The experience of loneliness among young people appears to be associated with their homes, with the home being perceived in a more negative light during the pandemic than before (Sawyer et al, 2022). A negative perception of the home can in turn have a negative impact on young people’s mental health, causing increased stress and anxiety. For example, young people reported worries about socialising after the pandemic (McKinlay et al, 2022), which could lead to obstacles to plans for cohabitation, getting married or starting a family.

The pandemic has added complexity to the transition to adulthood, particularly regarding the pivotal step of leaving the parental home, which signifies the start of the journey towards independence. Making this decision has been further complicated by economic conditions, which have made renting or purchasing a home less affordable. Before the pandemic, numerous young adults in Organisation for Economic Co-operation and Development (OECD) nations were already struggling to afford their own homes. With increasing rents and housing prices, the majority of young adults were living with their parents (OECD, 2020). This issue has been raised by young people themselves. According to the OECD Risks That Matter survey in 2020, over half of respondents aged 18–29 (53%) expressed concerns about finding or maintaining suitable housing in the coming years (OECD, 2021).

The shifting social and economic landscape has resulted in a notable rise in the number of adult children who either delay leaving home or return after having moved out (Burn and Szoeke, 2016), with both positive and negative implications. On the one hand, living with parents offers support to young adults, but, on the other, it can impede their independence and have a negative effect on both family dynamics and personal growth, notably affecting mental well-being. Previous evidence indicates that inadequate personal space and suboptimal housing conditions can profoundly affect the mental well-being of both children and parents (Evans, 2003).

According to a recent study, living paths differ based on gender, with more men choosing to live alone for longer than women, who tend to seek marriage and children within five years of leaving their parents’ home (Chaloupková, 2023). In the challenging context of the pandemic, women on the pathway to marriage and children (or planning to be on that pathway) were forced to reconsider their decision. Despite gender-skewed preferences regarding pathways, the desire for parenthood did not differ significantly among genders. In countries with more positive labour and economic situations, such as France and Germany, those with previous plans for children often opted to postpone them rather than completely abandon them. This was not the case in Italy and Spain, where people more often decided to abandon their plans (Luppi et al, 2020). Another study, conducted among participants in Poland, had similar results, with one in five respondents reporting a negative change in their plans to have children (mostly postponement) due to economic insecurity, psychological reaction to the pandemic and limited access to healthcare services (Malicka et al, 2021).

Despite pandemic-induced negative shifts in plans to start a family, some positive trends did occur; the situation created a newfound desire for parenthood in some people, who often cited ‘the will for change’ and ‘the need for positivity’ as factors (Micelli et al, 2020). A slight demographic change also occurred, with those aged 31–40 tending to favour parenthood before the COVID-19 pandemic, while those aged 26–30 were more likely to experience a new desire for children during lockdowns (Micelli et al, 2020).

The impacts of the pandemic on those who had already begun to form families were not gender neutral. In the family home, women, especially mothers, experienced an increase in work-related stressors. And, in families in which the woman handled most care work, this dynamic continued. Essentially, traditionalism was reinforced in couples who already practised traditional gender divisions (Jessen et al, 2021; Eurofound, 2022a).

**Structure of the report**

A number of relevant factors – employment, work–life balance, the cost of living and the cost of housing, mental health and well-being – are considered in this report. The analysis considers the situations of young people in the aftermath of the pandemic and looks at how the pandemic, and the challenging economic conditions that followed it, may have delayed or even derailed the plans of young people in Europe. This report builds on recent Eurofound survey data to explore the lives of young people in the EU since the pandemic, focusing on their hopes and plans for the future and the circumstances that can hinder their fulfilment or help towards it. Young people’s employment and education, financial and housing situations, mental well-being, and plans regarding household formation and international mobility are examined. The report also considers progress on the implementation of the reinforced Youth Guarantee.
Data sources and definitions

Several data sources were used in the analysis to present a rich picture of the situation of young people in the aftermath of the pandemic. These included European Union Statistics on Income and Living Conditions (EU-SILC), the European Union Labour Force Survey (EU-LFS), the European Social Survey (ESS) and Eurofound’s Living and working in the EU e-survey.

The e-survey is a unique source of data that facilitates an investigation of the life events that young people go through on the way to adulthood, as well as their aspirations and plans.

The definition of young people used in this report depends on the data available and the context of the analysis. Eurostat aggregate data are often available for the 15–29 age group, which is in line with the target group for the reinforced Youth Guarantee. This report uses this definition of young people when using published Eurostat data or data from EU-SILC or the EU-LFS. The latest available data from EU-SILC are for 2022 and from the EU-LFS they are for 2021. The same age group is covered when reporting on young people’s views based on the ESS, the latest available data from which are for 2020.

The e-survey is a non-representative online survey, which Eurofound implemented in May and June 2023. It is a continuation of the Living, working and COVID-19 e-survey, which was conducted five times between April 2022 and May 2022.

In the Living and working in the EU e-survey in 2023, young people (respondents under the age of 35) were asked about their future plans, both in the following year and in the following three years. They were asked to indicate for each item whether they ‘would like to do it if [their] circumstances allowed it’ and whether they ‘plan to do it, taking into account [their] current circumstances’. The aim of these questions was to gain an understanding of gaps between wishes in an ideal situation and actual plans.

The questions covered various types of life events.

Related to employment
- Get a job (asked those who indicated they were currently not working)
- Change my job (asked those who were currently working)
- Start my own business (asked all)

Related to education
- Participate in tertiary education (asked all)
- Participate in further education or training (asked all)

Related to other major milestones
- Move house (asked all)
- Move out of the family home (asked those who currently lived with a parent or grandparent)
- Move to another country (asked all)
- Buy a house or an apartment (asked all)
- Get married (asked all)
- Move in with a partner (asked those with no partner in the household)
- Have children (asked all)

When reporting on the plans and wishes of young people with regard to these events, the age group covered is 16–34 (sometimes subgroups, such as 20–34, are used). This is both to capture a larger proportion of the relatively small sample size of the Living and working in the EU e-survey, compared with the other data sources used in this study, and because some of the life events (such as getting married, buying a house or having children) are more relevant to the older age bracket of young people.

Note on gender/sex in the report: In the analysis of the Living and working in the EU e-survey data, respondents are categorised according to gender on the basis of the following question: ‘How would you describe yourself? Response options: male, female, in another way’. The number of respondents who described themselves ‘in another way’ was not sufficient to allow for separate analysis. For the analysis of the EU-LFS and the EU-SILC, the variable used in the microdata has been labelled as ‘sex’. Countries may differ on the source of these data (administrative data, self-declared, and so on.) The terms ‘male’ and ‘female’ are used adjectivally to describe characteristics and experiences relating to men and women, respectively.
1 Work and work–life balance

Employment, unemployment and NEET young people

In the context of the pandemic, employment disparities were further exacerbated by a weak labour market. Young people’s employment opportunities plummeted as entry-level job positions decreased. Sectors in which young workers are overrepresented – including hospitality, leisure and tourism, cultural activities, and local retail trade industries – were among the most affected, experiencing unprecedentedly low sectoral composition rates (reflecting their contribution to gross domestic product) in the first year of the pandemic (Eichhorst et al, 2020). Young people were also overrepresented in the most vulnerable groups of workers, impacted heavily by pandemic-era job losses: temporary and part-time workers and those working in the informal sector (Eurofound, 2021).

In countries with generally weak labour market institutions, and especially weak institutions supporting the transition from school to work, young people face the greatest employment-related hardships (Eichhorst et al, 2022). Countries have tried to alleviate these burdens by creating or strengthening measures aimed at reducing unemployment and financial insecurity. Direct employment support and hiring subsidies, social protection and income support, work-based learning and vocational education, and employment services are examples of interventions to help affected workers (Eurofound, 2021; Eichhorst et al, 2022). Earlier in the pandemic, passive policy responses focused largely on measures to stabilise labour demand and employment (Eurofound, 2021; Eichhorst et al, 2022); later, policy gradually shifted to targeting vulnerable groups and providing training/hiring incentives. Compared with policy responses during the Great Recession of 2007–2009, responses to the pandemic were rolled out more quickly and with more measures made available to those who were working in the informal labour market, including subsidies to incentivise the hiring of informal workers. Despite these efforts to include informal workers, prime-aged workers disproportionately benefited from income support schemes, as many young people in the informal or temporary sectors did not qualify (Eichhorst et al, 2022).

Spells of unemployment have what are known as ‘scarring’ effects, with persistent long-term consequences for young people’s future employment. An additional day of unemployment during one’s first 8 years on the labour market increases unemployment by half a day on average in the following 16 years, according to a study based on dual education graduates in Germany (Schmillen and Umkehrer, 2017). The study also found that the average individual experienced 184 days of unemployment during the first 8 years of their professional career and 272 days of unemployment in the following 16 years. Furthermore, young people who have experienced an early spell of unemployment tend to be short-sighted and risk-averse in their choice of career, overestimating short-term losses compared with long-term losses (Schmillen and Umkehrer, 2017). These long-term effects of unemployment are rarely considered by policymakers. The theory of transitional labour markets aims to take such effects into account and mitigate them by redefining the labour market as a lifelong series of transitions in and out of the job market (Schmid et al, 2023).

When facing disproportionately poor job prospects in the formal labour sector, young people turn to the informal sector for employment, resulting in the overrepresentation of young people in the informal sector (Rotar, 2022). Young people involved in part-time work have a higher propensity to hold a second job, with multiple job-holding positively correlated with non-standard forms of employment (Orfao et al, 2023). Based on these findings, young people who have multiple jobs have a higher likelihood of being involved in part-time work and/or the informal sector, making their positions in the labour market more precarious.

These concerns were a focus of research during the years of the pandemic. Data from the EU-LFS showed a drop of two percentage points (pp) in youth employment in 2020, which was larger than that in employment among older age groups (Figure 1). By the following year, however, a significant improvement could be seen. While the overall employment rate has completely recovered since the Great Recession and the COVID-19 crisis (and the rate for women is well in excess of the level before these crises), the recent growth in youth employment resulted in consistently increasing rates (49.2% in 2022), surpassing now pre-recession rates (49.1% in 2007). In 2023, employment levels appear very high, suggesting that the labour market may be healthier than at any point in the previous 15 years.

In parallel, the youth unemployment rate increased from 15% in the first quarter of 2020 to 19% in the third quarter of the same year, remaining close to this level for approximately a year, after which it dropped. By the end of 2023, youth unemployment was at 14% (Eurostat [une_rt_m]). While it is positive to see youth unemployment at a lower level than in early 2020, it is still notably higher than the aggregate unemployment rate in the EU of 6%.
Young people not in employment, education or training

The NEET rate measures the proportion of young people not in employment, education or training. The concept became an important indicator after the 2007–2008 financial crisis and is now one of the Social Scoreboard indicators used to monitor the implementation of the European Pillar of Social Rights. It can be seen as a 'measure of untapped potential of youth who could contribute to national development through work' (ILO, undated). NEET young people are one of the core groups targeted by the reinforced Youth Guarantee.

The overall NEET rate among 15- to 29-year-olds was highest following the 2007–2008 financial crisis, reaching a peak of 16.1% in 2013, while in 2022 following the recovery after the COVID-19 pandemic, the lowest rate was measured by Eurostat (11.7%). As can be seen in Figure 2, the Great Recession had a profound and long-lasting impact. The relatively low level of NEET young people before the economic crisis began to bite – 13.1% in 2008 – was reached again only in 2018. The peak in NEET rates during 2020 coincides with the onset of the COVID-19 pandemic. It is visibly smaller than that attributed to the previous crisis, and the rate had fallen below pre-pandemic levels again by 2022. In the same year, the highest NEET rate was found among young people in Romania (20%), followed by Italy and Greece. In nearly all countries, young women are more likely to be NEET than young men, although Estonia and Finland are notable exceptions.

Several previous studies have examined the reasons behind young people being NEET. Parental employment status was shown to be related to likelihood of being NEET, with gender differences, in a UK-based study: young men whose parents did not work when they were 14 years old were 14% more likely to be NEET than individuals from dual-earner households and 7% more likely to be NEET than children of working single parents (Zuccotti and O’Reilly, 2019). The effect was even stronger for young women, who had 17% and 9% corresponding increases in likelihood. The same study found that racial identity has an intersectional effect on NEET likelihood in tandem with the number of workers in the household, amounting to differences of 15–20%.

According to recent evidence, young people living in villages and rural areas are among the most likely to be NEET, especially in southern and eastern European countries (see, for example, Caroleo et al, 2022; Rocca et al, 2022). However, studies examining their situation are recent and still scarce, and their vulnerability is not yet fully recognised (Mascherini, 2018; Simões et al, 2022). The differences in NEET rates between urbanisation levels reached notably high levels in the years following the Great Recession (Figure 2). Rural NEET young people face greater uncertainty in the transition to adulthood. Compared with urban young people, they more often live in areas that are economically deprived and have lower educational resources and fewer work experience places; consequently, they enter the labour market earlier and are more likely to take up precarious or
informal job offers (Almeida and Simões, 2020), which tend to be more widely available during profound recessions. Furthermore, young people who have previously been NEET are vulnerable to becoming NEET again, especially if they are women living in rural areas (Sadler et al, 2015).

Early school-leaving is more prevalent among boys and those from poorer socioeconomic backgrounds. In Denmark, students from the poorest families have an eight times higher probability of not completing upper secondary education. In Iceland, boys show a 10% higher propensity to leave school early than girls (Karlsdóttir et al, 2019). Taking a similar long-term perspective to that of the theory of transitional labour markets (Schmid et al, 2023), Karlsdóttir et al, the authors of a Nordic country-based study, understand the school-leaving process as a social process that involves several actors rather than just individual decisions.

Research has also shown that those who are NEET are becoming younger, yet the percentage of NEET 25- to 29-year-olds was increasing before the pandemic (Karlsdóttir et al, 2019). During the recovery from the economic crisis, solutions that fit the specific situations of NEET young people were posited as the most productive way forward. Aaltonen et al (2015) suggested three groupings to categorise those who are NEET: victims of the recession, worker citizens in the making and troubled young people.

By addressing the education level, work experience and life history of a young person through targeted measures such as active labour market policies or e-formalisation (connectivity-based initiatives to tackle the informal economy), NEET young people can become active participants with varying degrees of success. Researchers have discussed the role of digitalisation in the context of NEET young people, but some have challenged the notion that digitalisation is a perfectly effective means of creating jobs and have concluded that digital competence alone cannot overcome limited job opportunities, traditional social divisions and other barriers to employment that prospective employees face in the labour market (Szpakowicz, 2023).

Green jobs, a growing employment field, are another possible labour market of interest, with research suggesting that a transition to a resource-efficient and circular economy would produce marginal but positive employment impacts for most OECD countries (Chateau and Mavroeidi, 2020). The creation and expansion of green jobs represent an opportunity for young people looking to enter the labour market, particularly in some European capital regions where public funding has supported green business sectors, and for policymakers to mitigate the segmentation of the labour market (Sulich et al, 2020). However, the participation of rural NEET young people is crucial in mission-oriented sustainable development of less urbanised areas, but efforts to provide support for their
participation are hindered by structural and capacity constraints on local entities and administrations (Simões et al., 2022).

Previous Eurofound research (Eurofound, 2016, 2021) has focused on categorising NEET young people, demonstrating that young people might be NEET for a variety of reasons and that not all of these circumstances represent the same level of risk. At one end of the scale, those categorised as ‘re-entrants’ are those who have already been hired or enrolled in education or training and will soon exit NEET status. Periods of short-term unemployment can also be seen as normal during the years of transition from education to work. However, integration into the labour market is likely to be ‘less smooth’ in southern and eastern European countries than in central and northern Europe, considering high rates of early school-leaving and less protective social systems (Rocca et al., 2022). Other than urbanisation level, other factors identified as affecting the transition from education to work include the socioeconomic features of the nation or region (see, for example, Kittel et al., 2019), national employment programmes and initiatives (see, for example, Chevalier, 2016), the extent of social protection, and the education system (see, for example, Bronfenbrenner and Morris, 2007).

Among the publications investigating the relationship between family background and work disengagement, there is evidence from Italy that an intrusive family for young women and an unsupportive one for young men increases the likelihood of becoming NEET (Alfieri et al., 2015). However, a representative study among young Finnish people found that various adverse childhood experiences are only moderately associated with NEET status; this association can largely be explained by socioeconomic factors, as family socioeconomic disadvantage itself is a much stronger predictor of NEET status (Pitkänen et al., 2021).

Some young people are unavailable for work due to a health condition or self-perceived limitations on activities such as self-care and school, home and leisure activities, which constitutes the statistical criteria used to assess disability in young people (Eurostat, undated-a). Among them, some are in a vulnerable position because they forego care services due to insufficient availability and/or affordability, and therefore are forced to withdraw from the labour market. Long-term unemployment is in fact one of the main structural drivers of NEET status (Eurofound, 2017a; Caroleo et al., 2020), and it may in turn further damage the chances of young people with health problems or disabilities, already likely to be facing increased risk of poverty or social exclusion. Young mothers are also a vulnerable group, on average exposed to a greater risk of becoming NEET than young women with no children (Levels et al., 2022). Recent research suggests that higher childcare costs are associated with a higher likelihood of becoming NEET for young mothers, although the relationship becomes insignificant for countries that have longer maternal and parental leave, such that the costs of early childhood education and care are lower (van Vugt, 2023).

The proportions of NEET young people falling into the various categories are closely linked to the economic cycle (Figure 3 and Table 1): during the economic crisis, about half of all NEET young people were unemployed, either short term (25%) or long term (24%), while only 7% were re-entrants. In 2019, the year before the pandemic, only 35% of NEET young people were unemployed and 10% were re-entrants. The proportion of discouraged workers (those who are not actively looking for a job because they feel there are no opportunities for them) also decreased between 2013 (7%) and 2019 (5%). During the pandemic, in 2020, the proportion of re-entrants increased, as young people who were furloughed awaited their return to work, and there was also a temporary increase in the number and proportion of short-term unemployed young people compared with 2019. The share of discouraged workers appears to have risen with the onset of the pandemic (6%).
Updating Figure 3 and Table 1 with more recent data is somewhat complicated by the change in the EU-LFS methodology that took place in 2021, creating a break in the time series. Important changes included the introduction of a new variable on reasons for not wanting to work and the addition of the option of ‘personal reasons’ for not wanting, not seeking or not being available for work. Changes were also made to how education and training participation is measured. Figure 4 and Table 2 show the categories of NEET young people according to reasons for not participating in employment, education or training in the new EU-LFS structure.

Table 1: Distribution of NEET young people, as a proportion of all 15- to 29-year-olds, EU27, 2013, 2019 and 2020 (%)

<table>
<thead>
<tr>
<th>Category</th>
<th>2013</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-entrants</td>
<td>1.1</td>
<td>1.3</td>
<td>1.7</td>
</tr>
<tr>
<td>Short-term unemployed</td>
<td>4.1</td>
<td>2.6</td>
<td>3.4</td>
</tr>
<tr>
<td>Long-term unemployed</td>
<td>3.9</td>
<td>1.8</td>
<td>1.8</td>
</tr>
<tr>
<td>Illness or disability</td>
<td>1.0</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Family/care responsibilities</td>
<td>3.1</td>
<td>3.0</td>
<td>2.6</td>
</tr>
<tr>
<td>Discouraged workers</td>
<td>1.1</td>
<td>0.6</td>
<td>0.8</td>
</tr>
<tr>
<td>Other</td>
<td>1.7</td>
<td>2.0</td>
<td>2.3</td>
</tr>
<tr>
<td>All NEET (NEET rate)</td>
<td>16.1</td>
<td>12.6</td>
<td>13.8</td>
</tr>
</tbody>
</table>

Source: Eurofound calculations based on EU-LFS microdata
As the NEET rate fell notably between 2021 and 2022 and the youth employment rate continued to increase, the proportions of short- and long-term unemployed, as well as the proportion of discouraged workers, among those who are NEET have also decreased since 2021. The proportion of re-entrants has also decreased, likely due to fewer furloughed workers. However, the large proportions of young people with ‘other reasons’ and ‘personal reasons’ for being NEET may include those with certain vulnerabilities that are currently not measured by these statistics. Among re-entrants, young people with an unstable attachment to the labour market (furloughed workers and those awaiting the start of temporary seasonal work or informal contracts) may also be at risk of social exclusion. Previous research has highlighted that temporary employment can increase the risk of in-work poverty, due to precariousness and gaps between jobs (Eurofound, 2017b; Tufo, 2019). Increasing temporary employment is often an active policy for the integration of young people into the labour market (Harsløf, 2003; Lilla and Staffolani, 2012), but this policy may have the unintended consequence of creating precarious working conditions, especially for female and migrant workers and in Mediterranean countries (Nunez and Livanos, 2015).

While the data paint a largely positive picture of the evolution of the NEET rate over the course of the past decade, with a particularly strong recovery since the COVID-19 crisis, it is important to note that a sizeable number of young people remain disengaged from economic activity. Furthermore, there are particular areas of Europe where the NEET rate remains consistently higher than in others.
Job security and fixed-term contracts
Many young workers on temporary contracts were laid off during the pandemic, and young people overall were more worried about the security of their jobs than others (Eurofound, 2021). Research has demonstrated that workers on fixed-term contracts often work longer hours, feel underemployed and try to search for another job, and temporary contracts have also been associated with negative societal outcomes, such as lower trust in people, perceptions of unfairness and dissatisfaction with democratic functioning. It has also been demonstrated that perceived job insecurity (the belief that one might lose one’s job in the coming months) is associated with lower life satisfaction, worse physical and mental health, and feelings of social exclusion similar to those created by unemployment (Eurofound, 2023). Job insecurity lowers the reported subjective affordability of long-term projects and investments, particularly among young people and people with lower socioeconomic status (Chirumbolo et al, 2021). Working in a sector that appeared stable throughout the pandemic was associated with greater perceived financial security and lower anxiety as well as only minor losses in perceived financial well-being, during the pandemic (Vieira et al, 2021).

New graduates exiting tertiary education face a major transition into the labour market, and they frequently experience job insecurity and unstable labour market attachment. As tertiary education rates increase, more individuals make this transition (see the section ‘Education and training’ below). A degree is not a guarantee of secure employment, and skills mismatches, resulting in underemployment, commonly affect young people (Eurofound, 2023). Among employed people, the promise of stability does not necessarily have a compensating effect. Newly graduated young adults, whether employed or unemployed, can find themselves in a space of ‘liminality’ (experiencing a sense of uncertainty during transition) because they feel they have no clear identity or role in society (Tomlinson, 2023). Any mismatch they may feel between their qualifications/desired career goals and their current state of employment can breed this feeling of liminality (and insecurity). In the context of the pandemic, more young adults may have entered this space of liminality due to a drop in employment among educated young people occurring between 2019 and 2020 (Eurostat [edat_lfse_24]).

Young people are significantly more likely to be employed on a temporary contract than older groups. In 2022, 36% of 15- to 29-year-olds had a temporary contract, compared with 14% of workers overall. Not being able to find a permanent job (involuntary temporary work) is more commonly the reason given by young people than others for engaging in temporary work (Figure 5), although this measure, like the figures on NEET young people, has also been affected by a break in the time series due to changes to the EU-LFS in 2021. Figure 5 shows a dip in temporary contracts in the first year of the pandemic, which can be explained by these contracts being common in the sectors most affected by closures and job losses, such as hospitality and retail (Eichhorst et al, 2020).

![Figure 5: Temporary employment rate by age group, EU27, 2007–2022 (%)](image-url)
The Living, working and COVID-19 and Living and working in the EU e-surveys have measured the perception of job insecurity since the beginning of the pandemic. When comparing data between young people and older groups of working age (Figure 6), job insecurity has fallen for all groups since early in the pandemic. The most unfavourable year for young people compared with other workers seems to have been 2021, while in 2023 middle-aged workers had higher perceived job insecurity. In spring 2023 around 8% of workers aged under 30 worried that they might lose their job in the coming months; however, among young employees on temporary contracts, this proportion was 15% and among those with no contract it was 35%.

![Figure 6: Proportion of workers experiencing perceived job insecurity by age group, EU27, 2020–2023 (%)](image)

Source: Living, working and COVID-19 e-survey, 2020–2022; Living and working in the EU e-survey, 2023

Youth entrepreneurship – Self-employment and platform work

Self-employment

As mentioned previously, the period after the economic crisis saw a decline in youth unemployment across Europe. This also coincided with a decrease in self-employment rates, a shift that has often been attributed to an improved labour market in which more young people found opportunities as employees (Shah, 2021).

However, in countries with persistently high youth unemployment rates, the prevalence of youth self-employment may reflect less individual choice and more limited alternative means of making a living (OECD and European Union, 2019).

While the employment rate among young people is currently high compared with the previous 15 years, and job insecurity is relatively low, there is some evidence that youth entrepreneurship has been declining over the long term, despite efforts by EU- and national-level policymakers to encourage it. Looking at subgroups of young people, self-employment is more common among older young people (Figure 7). Among those aged 30–34, the proportion of self-employed people decreased from 13% in 2007 to 11% in 2018, and has since stagnated, with the same proportion self-employed in 2022. Within the group of young people aged 30–34 who are self-employed, 28% had employees in 2006; the figure in 2022 was 26%. The trend has been similar among younger groups, and self-employment among them is less common: 8% of 25- to 29-year-olds and 4% of 20- to 24-year-olds are self-employed, while among 15- to 19-year-olds (not shown) self-employment is marginal.
EU-LFS data show that young women are less often self-employed than young men, which is consistent with the findings of recent research reports; self-employed women are, however, more vulnerable to decreasing incomes and working hours during crises than self-employed men (GEM, 2023). At the same time, they are also more exposed to gaps in effective access to social protection, hindering intergenerational fairness and fuelling the risk of social polarisation (Spasova et al., 2017). For example, among 30- to 34-year-old workers, 8% of women and 13% of men are self-employed. This difference has decreased since 2007, as the self-employment rate among men in this age group has decreased more (from 16%) than that among women (from 9%). These trends are similar for younger groups: for example, among 25- to 29-year-old workers, 6% of women and 9% of men are self-employed. Self-employed young women are also less often employers: among 30- to 34-year-olds, 29% of self-employed men have employees, compared with 21% of women.

The largest drops in self-employment among 30- to 34-year-olds between 2007 and 2022 can be seen in Romania (-7pp), Cyprus (-6pp) and Ireland (-5pp). In a few countries a small increase has occurred; the highest of these are in France (+5 pp), Latvia (+3 pp) and Slovenia (+3 pp).

Figure 8 explores self-employment among young people aged 15–29 by level of urbanisation between 2006 and 2022. Data were retrieved from the EU-LFS, and, overall, they present a picture of a slow decline in the shares of young people who are self-employed at all levels of urbanisation, namely in cities, towns and suburbs, and rural areas. The shares in rural areas are, however, consistently higher than those in other areas, which chimes with evidence on rural areas of the UK with poor labour market opportunities (Faggio and Silva, 2014). Local structural constraints and limited alternative options may be behind increases in the rate of self-employment among young people in rural areas during and immediately after global crises such as the 2007–2008 financial crisis and the COVID-19 pandemic, given the evidence for a ‘pull’ effect in local demand towards self-employment during the immediate aftermath of the financial crisis in the UK, especially for young people who lost jobs as employees (Henley, 2016).
The digital revolution has expanded the possibilities for entrepreneurship, particularly benefiting tech-savvy young people. While it has created new job opportunities, it has also given rise to the platform economy. Platform work is not a form of employment; rather, the term refers to the means through which work is obtained and managed – online platforms and apps (OECD, 2023). Platform workers are becoming more common, but they still account for a small proportion of all employment – from less than 1% to 8% depending on country, data source and definition (OECD, 2023).

The rise of platform work may pose the risk of ‘false’ self-employment, according to the OECD and the European Commission (2019). In this circumstance, individuals who are effectively employed by platforms are classified as self-employed rather than employees, a distinction that serves to circumvent national labour laws and minimise tax payments and contributions to social security systems while evading engagement with organised labour.

For many young people, participation in the platform economy is not necessarily a choice but a necessity, mirroring the circumstances faced by numerous young people engaged in the informal economy in developing countries (ILO, 2022). Thus, as digital transformations continue to shape the world of work, young people find themselves navigating a complex landscape that offers both opportunities and challenges, with technology ultimately reshaping the dynamics of employment and self-employment in the contemporary era. According to Eurostat data, platform work is most common among men under 30 years old (Eurostat, undated-b). The platforms themselves almost always classify platform workers as self-employed, and therefore they often have no or limited access to labour rights (EESC, 2021). Since a substantial proportion of self-employed workers (around 20%) are estimated to be wrongly classified, the European Commission has proposed a directive to protect the rights of platform workers (EURES, 2022).

Regular surveys, including the EU-LFS, have encountered difficulties in identifying platform workers. Young people carrying out this type of work do not necessarily qualify themselves as self-employed when surveyed. Their self-defined main activity status may be student (if they are studying at the same time) or unemployed (if they are actively looking for a more stable job). Among those reporting their activity status as employed, many report that they are employees, rather than self-employed: a report based on a 2018 EU-LFS module in Spain found that 64% of digital platform workers indicated that they were employees (Gómez Garcia and Hospido, 2022). When it comes to internationally comparable International Labour Organization employment status, if they did at least one hour of paid work during the reference week, they would be qualified as employed.

In the Living and working in the EU e-survey in 2023, 4% of young people indicated that they had provided services online, with the work obtained using an app, in the previous year, and close to 3% said that they had
provided services in person in the same circumstances (Figure 9). The survey also found that men were more commonly involved in platform work and that the gender difference was somewhat larger for providing services in person.

Figure 9: Young people involved in platform work in the previous year, EU27, 2023 (%)

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online</td>
<td>3.3</td>
<td>2.7</td>
<td>2.7</td>
</tr>
<tr>
<td>In person</td>
<td>3.5</td>
<td>1.7</td>
<td>2.7</td>
</tr>
</tbody>
</table>

Note: Figures have been rounded up to nearest whole number. Source: Living and working in the EU e-survey, 2023

According to the Living and working in the EU e-survey, among young people who had been involved in platform work at least once a week during the previous 12 months, 76% gave ‘employed’ as their main economic activity status and 18% indicated that they were self-employed.

Overall, some of the decline in youth self-employment may be because potential entrepreneurs among young people have turned to platform work instead. However, platform work may also have other, more positive, effects on the labour market: the availability of platform work may bring work previously done informally within a legal framework, and it may also motivate inactive workers or those doing unpaid household labour to re-enter the labour market and thus become self-employed or independent contractors, thus resulting in a net increase in self-employment. The capability of platform work to motivate people to re-enter the labour market has been demonstrated especially for women, who have been found to engage in it as a form of work that allows them the flexibility to also attend to family responsibilities (EIGE and Eurofound, 2023).

Work–life balance

Many people worldwide were forced to work remotely due to the COVID-19 pandemic. Working from home was initially seen as a positive step towards improving work–life balance. Over time, however, negative aspects emerged. Employers were able to contact remote employees at any time, blurring the boundaries between work and personal life. The uncertainty of the situation – coupled in some cases with increased family time – sometimes resulted in added stress (Lonska et al, 2021).

The most recent data from the Living and working in the EU e-survey provide insights into work–life balance – and, correspondingly, work–life conflict – across different age groups. In general, work–life conflict seems to be an issue across age groups: on average, 41% of respondents reported frequently working or worrying about work in their free time, and about 43% reported that work frequently impinged on their time or energy for family or household responsibilities. In contrast, only about 6% of respondents reported that their family interfered with their ability to concentrate on or spend time at work.

The tendency to work or worry about work in one’s free time seems to increase with age, up until the age of 50, when it starts to decrease again (Figure 10). The same

Figure 10: Work–life conflict by age group, EU27, 2023 (%)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Works or worries about work in free time</th>
<th>Work impinges on time/energy for family/household</th>
<th>Family impinges on work time or concentration</th>
</tr>
</thead>
<tbody>
<tr>
<td>16–29</td>
<td>40</td>
<td>43</td>
<td>5</td>
</tr>
<tr>
<td>30–39</td>
<td>42</td>
<td>46</td>
<td>6</td>
</tr>
<tr>
<td>40–49</td>
<td>40</td>
<td>40</td>
<td>9</td>
</tr>
<tr>
<td>50–64</td>
<td>4</td>
<td>40</td>
<td>5</td>
</tr>
</tbody>
</table>

Notes: The category ‘Works or worries about work in free time’ represents the proportion of people in each age group who reported that they worked in their free time at least once a week or that they always or most of the time worried about work outside working hours. The category ‘Work impinges on time/energy for family/household’ represents the proportion of people in each age group who reported that they always or most of the time were either too tired after work to do some necessary household jobs or that their job prevented them from giving time to family. The category ‘Family impinges on work time or concentration’ represents the proportion of people in each age group who reported that, always or most of the time, their family interfered with their concentration on their job or the time they spent at work. Source: Authors’ calculations using data from the Living and working in the EU e-survey
pattern is also true of the likelihood that family will disrupt job responsibilities. On the other hand, those aged 16–29 and 30–39 are the most likely to report that work frequently impinges on their time or energy for responsibilities outside work, while this occurs slightly less frequently among older groups.

If we consider trends in work–life balance or conflict for young people over time, a pattern emerges whereby some aspects are improving while others are deteriorating. Since the early days of the COVID-19 pandemic (the spring of 2020), the tendency to work or to worry about work in one’s free time has been decreasing (Figure 11). This may reflect in part the improved macroeconomic conditions since the early days of the crisis, when people’s employment prospects may have felt more precarious. On the other hand, the proportion of young people indicating that work frequently leaves them too tired or with not enough time for responsibilities outside work steadily increased from 2020 to 2022, and then declined slightly in 2023.

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This too may reflect improved employment conditions over time, with restrictions easing and more people returning to full-time employment. It may also reflect a move away from online work and back to in-person presence in the workplace in some occupations, with the associated commuting time that this may entail.

Many factors other than age matter for work–life balance; these include income, sector of occupation, gender, household composition, whether a person works from home and even the country in which a person resides. Therefore, to understand the relationship between work–life balance and age, it is important to take such factors into consideration in a regression model (see results presented in Figure 12).

Doing so broadly confirms the patterns revealed in Figure 10: relative to those aged 50–64 (the reference category in the regression) those in the 40–49 age group are statistically more likely to worry about work or to work in their free time (panel a of Figure 12). On the other hand, those aged 16–29 and 30–39 are not statistically more likely to do so. Turning to panel b of Figure 12, the results show that those in all three younger categories (16–29, 30–39 and 40–49) are more likely than those aged 50–64 to report that work frequently impinges on their time or energy for out-of-work responsibilities, and this is even more likely to be the case among the two youngest cohorts. Finally, when it comes to family interfering with work concentration or time at work, again all three younger age groups are more likely than those aged 50–64 years to report that this is a frequent work–life conflict. While the marginal effect is largest for those in the 30–39 age group, the difference between this group and those aged 16–29 or 40–49 is not statistically significant (panel c of Figure 12).

Interestingly, the full regression results show that working from home is associated with an increase in the likelihood of working or worrying about work in one’s free time and of reporting that family frequently interferes with work concentration or time. On the other hand, working from home is associated with a lower probability of reporting that work frequently leaves a person with insufficient time or energy for their other responsibilities. This confirms findings from the literature showing that teleworking can be associated with both improvements and deteriorations in work–life balance (Afonso et al, 2021; Karácsony, 2021; Eurofound, 2022b).

**Figure 11: Work–life conflict among those aged 16–29 years, EU27, 2020–2023 (%)**

![Chart showing work-life conflict](image)

**Notes:** The category ‘Works or worries about work in free time’ represents the proportion of people in each age group who reported that they worked in their free time at least once a week or that they always or most of the time worried about work outside working hours. The category ‘Work impinges on time/energy for family/household’ represents the proportion of people in each age group who reported that they always or most of the time were either too tired after work to do some necessary household jobs or that their job prevented them from giving time to family. The category ‘Family impinges on work time or concentration’ represents the proportion of people in each age group who reported that, always or most of the time, their family interfered with their concentration on their job or the time they spent at work.

**Source:** Authors’ calculations using data from the Living and working in the EU e-survey.
Figure 12: Probability of work–life conflict by age group, EU27, regression analysis

a. Works or worries about work in free time

b. Work impinges on time/energy for family/household

c. Family impinges on work time or concentration

Notes: The variables are defined in the same way as described in the notes to Figure 10. The regression analysis was carried out using a logit model, with survey weights applied. The reference category in the regression is those aged 50–64. The model controlled for gender, household composition (including the presence of a partner or children), whether the respondent works at least partly from home, difficulty in making ends meet, degree of urbanisation, educational attainment, sector of occupation, and country and year fixed effects.

Source: Authors’ calculations using data from the Living working and COVID-19 e-survey, 2020–2022, and the Living and working in the EU e-survey, 2023
Job satisfaction

Like work–life balance, job satisfaction is an important aspect of working life. Job satisfaction can be influenced by many things, including sector of occupation, technology use and skill level (Castellacci and Viñas-Bardolet, 2019; Schwabe and Castellacci, 2020), contract type (Dawson et al, 2017; Goldan et al, 2022), working conditions and sense of having autonomy in the workplace (Chung, 2017; Reisinger and Fetterer, 2021). Data from the most recent edition of the ESS provide important insights into working conditions across age cohorts (Figure 13). An interesting pattern that emerges from this data source is that younger people are less likely to have job contracts of unlimited duration (52% for those aged under 30, compared with 82% for older workers). Furthermore, young people have lower levels of autonomy in how they arrange their working day: 55% of young people can decide, at least to some extent, when they start and finish their working day, and 39% report having a high level of autonomy over how their working day is organised.

Figure 13: Job conditions for young workers and older workers, 2020–2022 (%)

The percentages for older workers are 62% and 51%, respectively. Finally, the ESS data show that young people in employment are more likely to report that they are expected to respond to work requests outside working hours (28%, versus 21% for older workers).

The ESS data also show that young employees are less likely to be engaged in hybrid or fully remote work and – probably partly as a result of this – they have more opportunities to engage with their colleagues and line managers (Figure 14).

Figure 14: Remote work and work contacts for younger workers and older workers, 2020–2022 (%)

The relationship between the job characteristics shown in Figures 13 and 14 and job satisfaction can be investigated more formally through a regression model (Table 3). What the results of this estimation show is that, when the job characteristics shown in Figures 13 and 14 are not controlled for, young people express significantly lower levels of job satisfaction than other workers (column (1)). However, once these characteristics are controlled for, age is no longer a significant predictor of job satisfaction. This suggests that the conditions that young people face in the workplace are important in determining their level of job satisfaction. Of the factors considered in this analysis, the strongest predictor of job satisfaction is having autonomy regarding how one’s working day is organised.

Note: Survey weights are applied in calculating the averages. Source: ESS, wave 10
Young people’s plans related to employment

In the Living and working in the EU e-survey, young people were asked several questions about their hopes and actual plans for the future, over a one-year and a three-year time frame. Three questions were asked about future employment: young people currently not working were asked about plans to get a job, those working were asked about plans to change their job and all were asked whether they planned to start their own business.

Figure 15 summarises young people’s plans when it comes to employment. Among those who are not working (whether unemployed or inactive), two-thirds of young people would like to get a job within the next year and nearly 90% would like to within the next three years. However, only 63% actually plan to get a job within the next year, so, for approximately 12%, there are certain circumstances preventing them from doing so. This gap is 8% when referring to the next three years.

Looking at young people who would like to get a job and cannot, 68% are currently students, which may be the reason why they are not planning to find work within the next year. This indicates that a relatively small percentage of young respondents feel that there are currently barriers to their getting a job in the future, which may signal that young people perceive the current state of the job market as positive.

Table 3: Determinants of job satisfaction

<table>
<thead>
<tr>
<th></th>
<th>(1)</th>
<th>(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent variable = How satisfied are you in your main job (from 0–10)</td>
<td>Basic model</td>
<td>All controls included</td>
</tr>
<tr>
<td>Aged 16–29</td>
<td>-0.118* (0.0475)</td>
<td>-0.0171 (0.0495)</td>
</tr>
<tr>
<td>Has a contract of unlimited duration</td>
<td>0.118* (0.0508)</td>
<td></td>
</tr>
<tr>
<td>Has at least some autonomy to decide their start and finish times</td>
<td>0.213** (0.0437)</td>
<td></td>
</tr>
<tr>
<td>Has high level of autonomy regarding how their working day is organised</td>
<td>0.691** (0.0414)</td>
<td></td>
</tr>
<tr>
<td>Expected to respond to work requests outside working hours at least several times per week</td>
<td>-0.211** (0.0449)</td>
<td></td>
</tr>
<tr>
<td>Can work from home at least occasionally</td>
<td>-0.141** (0.0486)</td>
<td></td>
</tr>
<tr>
<td>More than half of colleagues based at same location</td>
<td>0.128** (0.0387)</td>
<td></td>
</tr>
<tr>
<td>In same workplace as line manager at least several times per week</td>
<td>0.239** (0.0408)</td>
<td></td>
</tr>
<tr>
<td>Number of observations</td>
<td>10,692</td>
<td>10,692</td>
</tr>
</tbody>
</table>

Notes: As the dependent variable was scaled from 0–10, the model was estimated using an ordinal logistic model with survey weights applied. Both regressions also controlled for the following variables that may be correlated with job satisfaction: gender, citizenship, income, education level, health status, sector of occupation, month of survey and country fixed effects. * and ** represent statistical significance at the 5% and 1% significance levels respectively.

Source: Authors’ calculations using data from the ESS, Edition 10, 2020–2022

Figure 15: Young people’s plans and wishes related to employment, EU27, 2023 (%)
Among young people who are working, the majority are thinking of changing their job. Nearly half (47%) would like to change jobs within the next year and nearly two-thirds (63%) within the next three years. Comparing young people who want to change jobs with those who do not, they less often have a permanent contract (64% versus 75%) and they are less likely to have worked from home in the past month (39% versus 51%), although around the same proportions of those who would like to change jobs and those who would not say their job is teleworkable (66% versus 64%).

Overall, a quarter (25%) of young people would like to start their own business within the next year (27% within three years). The gap between wishes and actual plans is comparatively large, as less than half of those who would like to start a business actually plan to within a year (10%), although the gap is smaller when it comes to three-year plans. Young men are somewhat more likely to want to start their own business than young women (28% versus 23% in the next year, 31% versus 24% in the next three years), although the gap is small for those who plan to (11% versus 10% in the next year; 19% versus 17% in the next three years).

### Education and training

The proportion of young people enrolled in education increases each year. While data on enrolment in higher education by age are available only from 2015 (Figure 16), the estimated total proportion of those aged 16–29 enrolled in any level of education increased from 40% to 43% within five years (2015–2020).

More young women were enrolled in education than young men in 2020 (45% versus 41%), and this difference has increased since 2015 (when it was 41% versus 39%).

The proportion of young people indicating in the EU-LFS that they have participated in education or training over the previous four weeks has also increased, although the increase can mostly be attributed to non-formal education and training, and the question was changed in 2021, resulting in a break in the time series (Figure 17). According to the new measure, the proportion of young people enrolled in formal education or training was 50% in 2022. In 2020, a dip in the proportion of young people enrolled in non-formal training can be observed, probably as a result of the pandemic.

### Figure 16: Proportion of young people enrolled in education by age group (based on number of students enrolled), EU27, from 2015 (%)

Source: Eurostat [educ_uae_enra02]
In parallel with the increase in young people in education, the proportion of people who have completed tertiary education is on the rise across all age and gender groups, but the increase is most striking among women aged 25–34, nearly half of whom (48%) now have a tertiary degree in the EU as a whole (Figure 18).

Figure 17: Proportion of young people (aged 16–29) who participated in education or training over the previous four weeks, EU27, 2004–2022 (%)

![Figure 17: Proportion of young people (aged 16–29) who participated in education or training over the previous four weeks, EU27, 2004–2022 (%)](image)

**Note:** Lighter shading for 2021 and 2022 indicates a break in the time series.

**Source:** Eurostat [TRNG_LFS_09]

Figure 18: Attainment of tertiary education by gender and age group, EU27, 2002–2022 (%)

![Figure 18: Attainment of tertiary education by gender and age group, EU27, 2002–2022 (%)](image)

**Source:** Eurostat [edat_lfse_03]
As mentioned previously, tertiary educational attainment does not necessarily imply that a secure, well-paid job will be easily found. One study based on data from before the pandemic found that a labour force with a high proportion of workers with tertiary education was positively related to youth unemployment rates in the EU (Rotar, 2022), which could be explained by skills mismatches: employers underutilising educated individuals’ skills or overqualified employees applying for unsuitable positions. The feeling of liminality mentioned in the section ‘Job security and fixed-term contracts’ above often affects new graduates as they are trying to formulate their plan for the future, looking for their place in society (Tomlinson, 2023), and this uncertain feeling can be exacerbated by periods of unemployment or underemployment due to skills mismatches. Many young adults entered this uncertain phase during the pandemic, when the employment rate for recent graduates from upper secondary, post-secondary and tertiary education dropped from 80.9% to 78.5% (Eurostat [edat_lfse_24]).

**Education and training plans**

According to the 2023 Living and working in the EU e-survey, over a third (38%) of respondents under 35 would like to participate in tertiary education within the next year and 40% would like to do so in the next three years if possible, with 24% planning to do so in the next year and 29% in the next three years. Meanwhile, about 60% would like to participate in further education or training over both time frames, with over half having concrete plans to do so.

Understandably, these percentages are highest among current students, whose answers may depend on how close they are to finishing their studies. If current students are excluded, still nearly 40% of young people would like to study at tertiary level within the next year, and 60% would like to participate in further education or training in the same time frame (Figure 19). The extent of the mismatches between young people’s preferences and concrete plans regarding education is overall similar to the extent of those related to employment.

Unemployed young people are more likely than average to have a mismatch between their wishes and plans related to tertiary education (18% over one year, 14% over three years) and further education/training (15% over one year, decreasing to 4% over three years), pointing to potential multiple disadvantages that prevent young people from entering either employment or education.

There is broad evidence of the benefits of adult education, held by both researchers and policymakers (for example, see Oliveira Martins et al., 2009 and Braconier, 2015). Education and training have also been linked in particular to improved well-being and job satisfaction (for example, see Ruhose et al., 2020 and Burgard and Görlitz, 2014). Most cross-country evidence has been, however, based on descriptive and qualitative studies, often overlooking the peculiarities of young people.

Figure 19 uniquely highlights the importance placed by young Europeans on participation in further education or training. These views may reflect reactions to economic crises in the form of human capital accumulation and changing preferences. Indeed, in the post-2008 recession period in Italy, men became more career-oriented in their tertiary education choices due to increasingly constrained and competitive labour markets, while women shifted their focus to the educational experience rather than future employability (Cattaneo et al., 2016). This widened gendered societal norms related to university choices.

Regarding work-related training, beyond the well-documented labour market benefits (such as in Steffes and Warnke, 2019), there may also be positive social capital externalities, including increased participation in civic, political, and cultural activities (Ruhose et al., 2018). Because it might not be economically feasible for a company to invest in the
human capital of particularly disadvantaged workers, policymakers should take inequality of opportunity into consideration. In fact, inequalities may accumulate across the life course and lead to the persistence of low skill levels amongst workers (Steffes and Warnke, 2019). In their extensive overview on workplace training in Europe, Bassanini et al. (2005, p. 135) stated: ‘Apart from efficiency arguments, equity considerations can be relevant to justify training for groups of workers in disadvantaged economic conditions.’

**Traineeships**

In 2014, in the wake of the economic crisis, the Council Recommendation on a quality framework for traineeships (Council of the European Union, 2014) aimed to improve the working conditions in and learning content of traineeships, introducing a written traineeship contract outlining terms and objectives. In 2023, this framework was evaluated with the aim of assessing its impact and relevance based on the criteria of efficiency, effectiveness, relevance, coherence and value added (European Commission, 2023a).

In March 2023, a Flash Eurobarometer included questions on traineeships that served to complement the abovementioned evaluation (European Commission, 2023b). Among other findings, it showed that:

- 78% of young people have participated in at least one traineeship
- 68% found a job following a traineeship, with 39% signing a contract with the employer that gave them the traineeship
- 55% of trainees received financial compensation (an increase from 40% in 2013)
- 61% had full or partial access to social protection

Following up on these findings, the 2023 *Living and working in the EU* e-survey included questions on satisfaction with traineeships among trainees and on the nature of compensation. The survey distinguished between traineeships and apprenticeships using the following definitions.

- **A traineeship**: A workplace training period (usually a couple of weeks or months) that complements an education and training programme.
- **An apprenticeship**: A long-term programme, usually a couple of years, in which learning in the workplace alternates with school-based learning in a structured way.

**Participation in a traineeship**

The *Living and working in the EU* e-survey found that among survey respondents aged under 35 about half (51%) had participated in a traineeship (weighted results). This proportion ranged between 11% in Slovakia (followed by 21% in Croatia and 27% in Czechia) and 72% in Germany (followed by 70% in Austria and 63% in the Netherlands).

Young men were more likely to have participated in a traineeship than young women (55% versus 49%). Young respondents identifying themselves as out-group members of society were consistently less likely to have had partaken in a traineeship than in-group members. Among respondents to the e-survey, only 37% of young people identifying as a member of an ethnic minority reported having had a traineeship, and only 39% of those with an immigrant background had had that opportunity. Similarly, 39% of young respondents belonging to a religious minority had participated in a traineeship. People with at least post-secondary education had more often had a traineeship (54–57% among those with different tertiary-level degrees) than those with secondary education (42%).

Turning to current economic activity status, people who were unemployed were the most likely to have participated in a traineeship (63%), while among employees the figure was 52% and among the self-employed it was 46%. This suggests that some of those who were unemployed had participated in a traineeship in an attempt to enter the labour market, so far unsuccessfully. Regarding current sector of work, experience of a traineeship was most common among those working in public administration (71%) or healthcare (70%).

**Quality of traineeships**

Among those with experience of a traineeship, satisfaction with learning support was 6.3 on average on a scale of 1–10, while the level of improvement in their skills was scored 6.6. Around two-thirds (68%) of trainees had had a written contract and half (50%) had received some kind of compensation, which in most cases (93%) took the form of a wage or salary.

Women scored the improvement in their skills slightly higher (6.7 versus 6.5) and they were also slightly more likely to have had a written contract (69% versus 67%). On the other hand, women were less often compensated, by a statistically significant difference (45% versus 58%).

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1 Work-related training is very costly for firms.
People who consider themselves to belong to an ethnic minority group were less satisfied with learning support (5.6 versus 6.3) and the improvement in their skills (5.5 versus 6.6). On the other hand, they were significantly more likely to have been compensated (69% versus 49%), suggesting that a specific sector of work or potentially traineeships may have replaced regular employment in this case, which calls for further research.

On the other hand, people with disabilities were significantly much less likely to have been compensated (31% versus 53%) and also significantly less likely to have had a written contract (57% versus 68%). They were also somewhat less satisfied than average with learning support during the traineeship (6.1 versus 6.3) and with the level of improvement in their skills (6.2 versus 6.6).

Young people who consider themselves to be LGBTQ+ were slightly more likely to have had a written contract (78% versus 76%), but they were less likely to have been compensated (45% versus 52%), they felt less supported during the traineeship (6.0 versus 6.5) and they were significantly less satisfied with the improvement in their skills (6.2 versus 6.8).

In terms of education level, those with a doctoral degree were most satisfied with learning support (7.4) and with the improvement in their skills (7.3); they were most likely to have had a contract (81%) and 63% had been compensated financially.

**Outcomes of traineeships**

When asked about the number of traineeships completed before finding a regular job, young people with disabilities stood out, having completed four traineeships on average. Young women also completed more traineeships on average than young men (2.4 versus 1.7). People on average participated in two traineeships before being offered a job.

On average, 39% of young people with experience of a traineeship said that they had been offered a job following the traineeship. Job offers were more common among men (39%) than women (36%). People living in a city, or a city suburb, were also more likely to have been offered a traineeship (42%) than those living in medium or large towns (39%), small towns or villages (39%) or rural environments (18%).

Young people who had a written contract during their traineeship were much more likely to receive a job offer than those who did not (49% versus 18%), and the same applies to those who were compensated, although the difference is smaller (52% versus 44%).

Figure 20 shows the probability of being offered a job following a traineeship for those in various groups, after controlling for country and age. As expected, having a written contract is a strong predictor of being offered a job. When the controls are included, people with disabilities and people with an immigrant background are more likely to be offered a job than those not in these groups. Men are approximately 5% more likely to be offered a job than women, after controls.

**Figure 20: Probability of being offered a job after a traineeship, EU27, 2023 – average marginal effects**

![Figure 20: Probability of being offered a job after a traineeship, EU27, 2023 – average marginal effects](image-url)

**Source:** Authors’ calculations using data from the Living and working in the EU e-survey, 2023
While the survey used non-probability sampling, some of the findings highlight potential issues warranting further data collection. These include gender differences in satisfaction and the existence of a written contract, which are not in line with gender differences in compensation, which young women seem to be less likely to receive. Young women are also less likely to be offered a job, a finding that remains after controlling for other important factors. Attention should also be paid to the lower likelihood of receiving compensation among trainees with disabilities, who also participate in more traineeships before being offered a job, potentially to the detriment of finding a regular job by other means. Further research could also explore whether employers are using people from a migrant background participating in traineeships to do regular work, given they tend to be less satisfied with learning support and skills gained but more likely to be compensated.
Financial strain among young people

As income inequalities have trended upwards since the financial crisis of 2007–2008, young people have emerged as one of the increasingly vulnerable groups (Chevalier, 2023). Evidence from the OECD has shown that those aged 18–25 suffered more extreme income losses as a result of the global financial crisis than others and that, in contrast, those aged 65 and over were largely shielded from the effects of the crisis (OECD, 2014). There are significant differences between Member States in the degree of financial strain faced by young people. Research has shown that the prevalence of financial strain among young people ranges from 12.1% in Nordic Member States to 49.5% in southern European countries (Artazcoz et al, 2021). Moreover, this has far-reaching implications, as financial strain is associated with poor self-perceived health and lower levels of psychological well-being. Other research has documented a link between financial strain and loneliness among young adults (Refaeli and Achdut, 2021).

There are many methods that can be used to assess financial strain. This report considers several measures of material deprivation, including a household’s ability to make ends meet, a household’s capacity to meet unexpected financial expenses and whether or not a household has gone into arrears on utility bills in the past year.

Data from EU-SILC show that, for each of the three metrics considered, young people appear to feel the highest levels of financial strain among all age groups (Figure 21). Indeed, 41% of those aged 15–24 find it difficult or very difficult to make ends meet, although this drops to 38% for the older group of young people (those aged 25–29), a rate that is equal to or lower than those for the other age groups. The likelihood of being unable to meet unexpected financial expenses decreases with age. About 36% of those aged 15–24 say that their household could not afford unexpected expenses, compared with 28% of those aged 65 or older. Younger cohorts are also more likely to have gone into arrears on their utility bills than older age groups.

Figure 21: Measures of financial strain by age group, EU27, 2022 (%)
As highlighted by Artazcoz et al (2021), the financial strain felt by young people varies enormously across the EU. The rate of financial strain experienced by those aged 15–29 is lowest in Luxembourg, the Netherlands and Estonia, where 6.3%, 6.6% and 6.9%, respectively, of those aged 15–29 report that they find it difficult or very difficult to make ends meet (Figure 22). Financial strain is, on the other hand, highest in certain eastern and southern Member States, namely Cyprus (34%), Bulgaria (42%) and, quite notably, Greece (72%). Greece has recently become one of the fastest growing European economies, but vulnerable and low-income workers from the post-2008 recession period still face persistent economic hardship (The New York Times, 2023). Evidence from before the COVID-19 pandemic uncovered long-lasting effects that go beyond peak rates of long-term unemployment. There has also been an intergenerational transfer of poverty, which severely restricts the employment opportunities and life chances of less wealthy young people (Papadakis et al., 2020).

The aggregate statistics on financial strain presented in Figures 21 and 22 are measured at household level and likely to be confounded by several factors. Young people are less likely to be in employment if they are still studying. They are also more likely to be living at home with their parents, and they may be in larger households if more than one generation of adults is present under one roof.

To look at differences between age cohorts after controlling for other factors that might affect financial strain, logit regression models were used. The results show that – after accounting for a range of factors including household type and size, gender, education, employment status, tenure type (renting or owning home), degree of urbanisation and unobserved factors at Member State level – those aged 15–24 are less likely than others to report that their households have difficulty making ends meet or that they cannot afford unexpected expenses (Figure 23). For those aged 25–29, the picture is more mixed. They are more likely to be unable to afford unexpected expenses but less likely than the reference category (people aged 35–44) to have difficulty making ends meet, suggesting that they lack a financial buffer to help them cope with the unexpected despite having sufficient resources to cover expected costs. Other control variables included in the model, but not in Figure 23 for presentation reasons, show that single-parent households are much more likely than other household types to struggle financially, as are those in which the respondent is unemployed, retired or economically inactive. Those with higher levels of education are also in better financial positions, whereas those renting their homes report higher levels of financial strain. Degree of urbanisation is also predictive of financial strain: the probability of finding it difficult to make ends meet or of being unable to afford unexpected expenses increases as the degree of urbanisation falls.
An interesting finding that is evident from Figure 23 is that those living with their parents are more likely to report difficulty making ends meet and to state that they cannot afford unexpected expenses. This seems to suggest that living with their parents does not protect young people from financial strain; however, what it may also be showing is that the less financially well off are less likely to be able to afford to move out of the family home and that families with less financial means may not be in a position to offer financial support to their adult children if they wish to move out of the parental home. Indeed, the data show that of those people aged 15–29 who are living with their parents, 23% of them are in households that find it difficult to make ends meet, compared with 15% for those who do not live with their parents.

Young people living with their parents

The journey to adulthood is characterised by a series of developmental milestones, including achieving financial autonomy and living independently from one’s parents. Reaching these milestones can offer a sense of self-reliance and personal growth, contributing to the individual’s overall well-being and satisfaction with life. When young adults are compelled to return to the parental home, they may feel that their progress towards adulthood has been temporarily disrupted, potentially reducing their sense of autonomy and their satisfaction with life.

The implications of the COVID-19 crisis in Europe were profound. The shadow of uncertainty hung over both when the health emergency would eventually end and prospects for economic recovery. The impact of this crisis extended beyond economics, affecting individuals’ life trajectories and prompting many to reconsider or even abandon their plans to leave the parental home and establish an independent household (Luppi et al, 2021). Many university students, faced with campus closures, job losses or health-related anxieties, found themselves making the difficult decision to move back in with their parents.

Return to the parental home is often seen as a regression in young people’s transition to adulthood, potentially having negative implications for their subjective well-being. However, the age of the young person in question makes a difference in this regard: a recent study found that older university students who returned to the parental home during the pandemic experienced a more pronounced decline in life satisfaction, while those aged 24 and under did not experience a significant decrease (Preetz et al, 2022).

Having negative expectations regarding future changes in individual and family income is significantly linked to the decision to abandon a plan to leave the parental home. In southern Europe, the vulnerability of temporary workers in this regard is particularly pronounced, as those engaged in such work, which is often precarious, appear to be the group most inclined
to negatively revise their plans to leave the parental home, even more so than those who are not employed. The findings underscore the significance of economic factors such as employment stability and income expectations in shaping these decisions.

When looking at cross-national data, it is important to note that cultural differences in the timing of moving out of the parental home contribute to differences between Member States. Previous research using ESS data found that cultural context is the most important explanation for cross-national variation: in Nordic and central European countries, family systems are more individualised, whereas in most southern European countries family takes precedence over the individual, intergenerational ties are strong and often several generations live under one roof, creating a different perspective on the idea of leaving the parental home (van den Berg et al, 2021).

Data from EU-SILC confirm that there is large variation across Member States in the proportion of young people who live with their parents. In general, the Nordic Member States – Sweden, Denmark and Finland – have the lowest prevalence of young people living with their parents (31%, 35% and 43%, respectively, of 15- to 29-year-olds live with their parents according to EU-SILC data). In contrast, in southern Member States, most young people aged 15–29 live in the parental home. The highest prevalence is in Malta (95%), Croatia (93%) and Italy (91%).

In addition to the significant differences between Member States, there are also notable differences within them. On average across the EU, 75% of those aged 15–29 live with their parents, but this ranges from 67% in densely populated areas to 82% in thinly and intermediately populated areas, possibly reflecting the availability of suitable housing and related cost implications.

While a large proportion of those aged 15–29 years live with their parents, there are significant differences within the wider cohort of young people (Figure 24). Unsurprisingly, those aged 15–24 are far more likely to live with their parents (86% across the EU) than those aged 25–29 (42%). If the definition of young people is extended to include those in their early to mid-thirties, the data show that approximately one-fifth of this cohort are still living in the parental home.

The differing prevalence of living at home across age groups may reflect the prevailing employment status in these groups (Figure 25). The data confirm that those living in the parental home are more likely to be students than those not living with their parents.

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**Figure 24: Young people living with their parents by age group, EU27, 2022 (%)**

**Figure 25: Employment status of young people living and not living in the parental home, by age group, EU27, 2022 (%)**

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*Source: Authors’ calculations using EU-SILC microdata*
Among those aged 15–24, 67% of those living at home are students, compared with 38% of those not living at home. While a much lower proportion of those aged 25–29 – and a smaller share still of those aged 30–34 – are students, the general pattern holds that those living with their parents are more likely to be students. Mirroring this pattern, young people living at home are less likely to be in employment (as employees or self-employed) than those who are not living at home. However, among those in the oldest age category of young people (30–34), 78% of those not living in the parental home are employed, as are 73% of those living in the parental home, a difference of only 5%, suggesting that factors other than employment status are influencing the decision to live at home.

While students are much more likely than those in employment to be living with their parents, it is still the case that, across Member States, a significant proportion of those young people of working age who are likely to have completed their education (those aged 25–34) remain living with their parents, even when they are in employment (Figure 26). This points to the obstacles that high living and housing costs present on the pathways of young people to independence and to shortages of available housing. However, again there are large variations between Member States. Only 2% of working people in this age group live with their parents in Finland and Sweden, but 65% of those in Croatia and 60% of those in Slovakia do.

Figure 26: Young people aged 25–34 in employment and living in the parental home by EU Member State, 2022 (%)
While living in the parental home is more prevalent among respondents from households experiencing financial strain, the data do show that living with one’s parents does provide a certain level of housing security to young people (Figure 27). According to the most recent data (from the Living and working in the EU e-survey in the spring of 2023), similar percentages of those aged 16–29 and those aged 30 or over report worrying that they might lose their accommodation because they can no longer afford it (approximately 6%). However, among those aged 16–29, a significantly lower proportion of those living with their parents experience housing insecurity compared with those not living with their parents, a difference that was at its greatest during the first year of the pandemic.

**Young people’s plans related to housing**

When analysing trends in housing patterns, temporal factors are crucial to distinguish between the timing of transitions (whether transition is delayed, and how long it takes) and the eventual occurrence of change (whether these plans ever come to fruition) (Coulter, 2017). Young people are indeed making plans to move to another house, move out of their parents’ home or buy a home, as indicated in Figure 28, which shows responses to the set of housing-related questions in the Living and working in the EU e-survey. However, gaps between wishes in an ideal situation and actual plans are larger than those seen in the response to the employment-related questions. In addition, the shares of individuals actually planning to change their housing situation during the next year are consistently lower than those with long-term plans.

This may indicate that the pandemic resulted in young people deferring plans related to housing. Economic crises often increase the amount of time it takes for
young people to achieve milestones in the transition to adulthood. The mechanisms at play have been extensively investigated in the context of the 2007–2009 Great Recession, following which the previous trends towards more time spent in education and training and a greater prevalence of temporary and informal work among young people have been heightened, especially in southern European countries (see, for example, Aassve et al, 2013; Sironi, 2018). The findings presented in this report are consistent also with a study by Luppi et al (2021) in which younger cohorts showed a significant and moderate association between economic insecurity and housing instability, respectively, made worse by the pandemic; many therefore made the decision to delay or abandon plans to leave the parental home. Young southern Europeans were the most likely to defer or abandon plans to move out; among them, the probability of doing so was even greater among those who had temporary contracts than among those who were unemployed.

Nevertheless, wishes and aspirations persist through recessions because people accept that it will take more time for them to achieve their housing goals while still expecting that the circumstances will arise in the relatively near future that will enable them to achieve them (Preece et al, 2020). This is demonstrated by Figure 28, which shows that the rates of young individuals who wanted to but did not have plans to move house or out of the parental home within a year were higher (at 20% and 17%, respectively) than those who did not have plans to do so but wanted to have done so within three years (14% and 11%, respectively). The attitudes that young people have towards their housing situation seem to last even after the social conditions that have shaped them cease to exist (Crawford and McKee, 2018). As those young people who wish to but do not plan to make changes are basing their aspirations on expectations of a better financial and work situation in the future, lower percentages of young people with such hopes over time might signal a deterioration in young people’s perception of their prospects in economic and employment terms, which is consistent with findings in previous sections of this report that show that the unemployment rate of the younger cohorts is consistently higher than that of the overall population.

Young people were also asked about their plans and wishes with regard to buying a home. Plans to buy a home appear to have been deferred, with a three-year time frame predominating (29% of respondents planned to buy a home within three years); the share of respondents with plans to do so within one year reached only 16%, mirroring the pattern in responses to other questions about plans and wishes. Unfavourable economic and housing circumstances, exacerbated by the pandemic, may have lowered young people’s aspirations, resulting in higher shares of those wishing than those planning to own a home; the gap between plans and wishes is larger than those reported for other such questions.

Greater discrepancies between plans and wishes with regard to homeownership have attracted the attention of academics and policymakers, particularly as young people may increasingly find themselves stuck in rental accommodation – hence the use of the term ‘generation rent’ (see, for example, Hoolachan et al, 2017) – and become frustrated with their inability to attain the same housing outcomes as previous generations. This is sometimes referred to as the ‘aspirations gap’ (Crawford and McKee, 2018). These mismatches that young people face are associated with changes in self-reported well-being and mental health, and may be linked with an increased risk of depression, as investigated in the next chapter of this report.
3 Young people’s mental health and well-being

Concerns about the mental health and well-being of young people abound. Subjective aspects of well-being are particularly significant when assessing the overall well-being of vulnerable demographic groups, such as young adults, whose circumstances are frequently poorly reflected by objective economic metrics alone (D’Agostino et al, 2019). In 2020, the World Economic Forum highlighted the threat posed by mental ill health to the health, survival and future potential of young people around the world (World Economic Forum, 2020). The report emphasised that the problem of the declining mental health of young people had been ignored for too long, arguing that the period following the COVID-19 crisis presents an opportunity to redress this neglect. While the problem of poor mental health among a large cohort of young people predates the COVID-19 pandemic, research has shown that the crisis further exacerbated the problem (Rosa et al, 2022). The closure of places to meet others, such as youth centres and sports organisations, prevented young people from socialising during an important transitional phase of life, when people are trying to find their place in society. Previous research by Eurofound (2021) has also demonstrated that the COVID-19 pandemic significantly affected young people’s mental health, with school closures having a particularly negative impact. Poor mental health among young people has been described as a crisis by mental health service providers, who have had difficulties in reaching the most vulnerable young people. The limited capacity of mental health services to deal with the unforeseen circumstances of the pandemic has been seen as a major limitation. Accessing in-person mental health care became much more challenging, leading to delays in care and treatment. Meanwhile, the increase in the number of people with mental health issues during the pandemic led to growing demand for care and treatment, while in most countries supply of these remained stable or decreased, leading to even longer waiting lists. Delays in treatment could become a longer-term problem if providers of mental health care services closed during the pandemic, with associated long-term increases in treatment costs (Harrell et al, 2023).

More positively, the crisis did accelerate the pace of digitisation of mental health care services. This could lead to improvements in accessibility in the long term (van Amelsvoort and Leijdesdorff, 2022). In general, mental health care has not seen the same technological advances that other healthcare sectors have (Frank and Glied, 2023), and the period following the COVID-19 crisis could see this pattern change. However, despite some positive signs of increasing accessibility of mental health care due to new forms of care delivery, there remain concerns that mental well-being may not recover as quickly as economic indicators, highlighting the need for greater policy attention to improving the provision of services.

Life satisfaction

Data from the most recent edition of EU-SILC, in 2022, show that, of all age groups, young people have the highest level of overall life satisfaction, as well as the highest level of trust in others (Figure 29). Moreover, they are the group most likely to get together regularly with family and friends or to participate regularly in a leisure activity, factors that may impact their levels of life satisfaction and trust.
Importantly, the higher levels of life satisfaction that are observed among younger cohorts remain statistically significant even after controlling for a range of factors, including economic activity status, ability to make ends meet and level of education (Figure 30).

Both panels of Figure 30 exhibit a general pattern whereby levels of life satisfaction and trust in others decline as people get older. However, the right-hand panel shows that, while young people have significantly higher levels of trust in others than those aged 30–39,
40–49 and 50–64, the level of trust of the youngest group is not statistically different from that of the reference category, which is people aged 65 and older. Indeed, those aged 65 or over have higher levels of trust than those in all but the youngest age group.

During the pandemic, Eurofound’s Living, working and COVID-19 e-survey measured lower life satisfaction in under-30s than in older age groups (5.6 versus 5.8 on a scale of 1–10 in 2021), which was unusual and may have been a reflection of 2021 being a particularly difficult time period for young people on average. By the time of the 2023 Living and working in the EU e-survey, this had reverted to a similar pattern to that seen in the EU-SILC data in Figure 29, with significant improvement in life satisfaction in both the younger and older age groups (6.4 among under-30s versus 6.2 among those aged 30 or over).

Young people continued, however, to have higher trust in other people during the pandemic: trust in others was at 5.1 on a scale of 1–10 among young people, compared with 4.9 among those aged 30 or over (a small but statistically significant difference). In 2023, an even larger gap was measured: 5.7 versus 5.0.

Self-perceived overall health

Age is an important predictor of physical health. Data from Eurofound’s Living, working and COVID-19 and Living and working in the EU e-surveys show that, across all editions, those aged 16–29 were most likely to report that their health was good or very good (Figure 31). What the data also show, however, is that self-perceived good health has been trending downwards since the early days of the COVID-19 pandemic. Between spring of 2020 and spring of 2021, the health advantage that the youngest age group had enjoyed relative to those aged 30–39 disappeared, with 71% of those in both groups reporting that their health was good or very good. However, the continued downward trend in health was less severe for the youngest cohort so that, according to the most recent data, the youngest cohort again enjoyed an advantage in self-reported good health: in the spring of 2023, 64% of the youngest cohort reported good or very good health, compared with 58% of those aged 30–39.

All other age groups have also experienced reductions in average self-perceived good health since the spring of 2020. However, for those aged 50–64 there was some improvement between 2022 and 2023. Nonetheless, the proportion of people in this age group that report good or very good health is still lower than it was in the spring of 2020.

These results add to the consensus reached in recent research regarding a decline in reported physical health across all ages (Afonso et al., 2022; Nagata et al., 2023). Notably, the threat of COVID-19 has resulted in young people reporting greater perceived severity and susceptibility to illness than in previous epidemics (Mant et al., 2021). Furthermore, poorer health among young people is associated with declines in subjective mental well-being (Nagata et al., 2023).

Many factors other than age are associated with self-perceived good physical health. Important factors include education, employment status and income level. Regression analysis shows that, after controlling for these factors, the difference in self-perceived good health

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**Figure 31: Self-reported good or very good health by age group, EU27, 2020–2023 (%)**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Spring 2020</th>
<th>Spring 2021</th>
<th>Spring 2022</th>
<th>Spring 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>16–29</td>
<td>80</td>
<td>70</td>
<td>60</td>
<td>50</td>
</tr>
<tr>
<td>30–39</td>
<td>75</td>
<td>65</td>
<td>55</td>
<td>45</td>
</tr>
<tr>
<td>40–49</td>
<td>70</td>
<td>60</td>
<td>50</td>
<td>40</td>
</tr>
<tr>
<td>50–64</td>
<td>65</td>
<td>55</td>
<td>45</td>
<td>35</td>
</tr>
<tr>
<td>65+</td>
<td>60</td>
<td>50</td>
<td>40</td>
<td>30</td>
</tr>
</tbody>
</table>

**Source:** Living, working and COVID-19 e-survey, 2020–2022; Living and working in the EU e-survey, 2023
health between those aged 16–29 and 30–39 is not statistically significant (Figure 32). However, those aged 16–29 remain significantly more likely to report good health than all other age groups. The results also show that those who find it difficult or very difficult to make ends meet are less likely to report good health, as are those who are unemployed, inactive or retired. Those who have completed tertiary education are more likely to report good health than those whose highest level of education is primary school or less. Women are, after controlling for other factors, less likely than men to report good health, as are those living in medium to large towns.

Mental well-being

Tables 4 and 5 set out data on demographic factors affecting mental well-being that have been investigated both in this report and in previous literature. They present descriptive statistics on the variables under investigation in this section, observed among respondents aged 15–29 to the 2023 Living and working in the EU e-survey. The tables also highlight instances of statistically significant variations between the groups for each variable analysed.

Table 4 presents descriptive statistics on gender, namely differences between male and female young respondents. Individuals are classified as at risk of depression if they score 50 or less on the World Health Organization’s WHO-5 Well-being Index, which uses a scale ranging from 0 to 100, based on the frequency of positive feelings over the previous two weeks. Notably, the average WHO-5 score for young women is higher than that for young men (53.6 versus 51.3), and previous Eurofound reports have shown that young women’s average scores were worse during the pandemic (Eurofound, 2021). Thus, the Living and working in the EU e-survey provides evidence of an improvement in young women’s overall mental well-being since the pandemic.
However, the share of young women at risk of depression (55.4%) is significantly larger than the share of young men at risk of depression (50.1%).

The shares of respondents experiencing certain negative emotions over the previous two weeks – namely feeling tense and feeling depressed – behave similarly to the shares of young people at risk of depression, in that they are also significantly larger among young women. Academic research and national institutions concur that there are differences between men and women in terms of the types of mental health conditions that they tend to experience and the life stages during which they are more likely to receive a diagnosis, which is consistent with the significant differences in negative affect that emerge from the Living and working in the EU e-survey in spring 2023. According to the European Institute for Gender Equality using Global Burden of Disease data, depression is 1.7 times more prevalent in women than in men, while anxiety disorders are twice as prevalent among women. On the other hand, substance use disorders are 2.1 times more prevalent among men. This is consistent with previous findings that internalising disorders (characterised by anxiety, depressive and somatic symptoms) are more common among women, and externalising disorders are more common among men. A notable exception for the 2023 survey round is the feeling of loneliness: young women seem on average to feel less lonely than they did during the Living, working and COVID-19 e-survey carried out in 2022, and the difference between men and women is now not statistically significant.

Research before the COVID-19 pandemic highlighted that common psychological conditions are positively associated with growing urbanisation, characterised by factors such as social inequality and insecurity, pollution and lack of contact with nature (Ventriglio et al, 2021). The ensuing large-scale lockdowns had a detrimental impact on various aspects of psychological health, giving rise in particular to post-traumatic stress disorder, anxiety and depression (Odrizola-González et al, 2022), especially in high-density and socially deprived neighbourhoods (Okubo et al, 2021) and among people suffering from pre-existing chronic conditions (Castellano-Tejedor et al, 2022). Table 5 shows the interaction of various self-reported mental health markers with level of urbanisation: village, town or city. The same variables as in Table 4 are shown, and statistically significant differences between urbanisation levels are highlighted.

Although smaller population subgroups in the Living and working in the EU e-survey seem to not capture significant differences between urbanisation levels for the average WHO-5 score and the at risk of depression indicator, more than half of the young individuals in the sample are at risk of depression across all urbanisation levels, at similar percentages. However, there is a statistically significant difference in the extent to which young people report feeling depressed across urbanisation levels: a larger share of young people said so in villages (18.5%) than in towns (15.0%) or cities (13.9%). Studies using similar measures during the pandemic found, by contrast, significantly higher incidences of self-reported depressive symptoms (Meyer et al, 2022) and suicidal thoughts (Okubo et al, 2021) at higher urbanisation levels. One area in which poor mental well-being and a high level of urbanisation do seem to be linked in the data from the Living and working in the EU e-survey is feeling tense. A significantly higher share of young people in cities (22.1%) than in villages and towns (both 20.9%) reported feeling tense.

The larger share of young people feeling lonely in villages (23.0%) compared with at higher urbanisation levels (18.7% in towns and 17.3% in cities) is, however, a novel piece of evidence on the post-pandemic era. Experts have reported that living in a remote rural area is a significant risk factor for increased social isolation and loneliness among older adults (Henning-Smith et al, 2018). However, quantitative evidence is scant and has not pointed to significant differences by age group and level of urbanisation, especially considering the limitations of the urban–rural classifications in distinguishing larger conurbations from smaller urban areas, and even smaller rural subgroups (Víctor and Pikhartova, 2020; Goodfellow et al, 2022; Marquez et al, 2023).

### Table 5: Mental well-being of young people by degree of urbanisation, EU27, 2023

<table>
<thead>
<tr>
<th>Variable</th>
<th>Villages (Average WHO-5 score, SD)</th>
<th>Towns (Average WHO-5 score, SD)</th>
<th>Cities (Average WHO-5 score, SD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average WHO-5 score</td>
<td>53.5 (SD = 19.9)</td>
<td>52.7 (SD = 19.3)</td>
<td>52.5 (SD = 18.8)</td>
</tr>
<tr>
<td>At risk of depression</td>
<td>52.9%</td>
<td>53.8%</td>
<td>53.4%</td>
</tr>
<tr>
<td>Negative affect: tense*</td>
<td>20.9%</td>
<td>20.9%</td>
<td>22.1%</td>
</tr>
<tr>
<td>Negative affect: lonely*</td>
<td>23%</td>
<td>18.7%</td>
<td>17.3%</td>
</tr>
<tr>
<td>Negative affect: depressed*</td>
<td>18.5%</td>
<td>15%</td>
<td>13.9%</td>
</tr>
<tr>
<td>Number of respondents</td>
<td>378</td>
<td>359</td>
<td>693</td>
</tr>
</tbody>
</table>

Notes: With regard to negative affect, the table shows percentages of respondents aged 15–29 who reported having felt (i) tense, (ii) lonely and (iii) downhearted and depressed all or most of the time over the preceding two-week period. SD, standard deviation. * Statistical significance of the variance between groups at a 90% confidence level or higher.

Source: Living and working in the EU e-survey, 2023
Trends in WHO-5 Well-being Index (positive affect)

Data from Eurofound’s e-surveys chart the evolution of mental well-being over the course of the pandemic and into the recovery period (Figure 33). They show that, for both those aged 16–29 and those aged 30 or older, mental health hit a low point in the spring of 2021, when the average WHO-5 scores, measuring positive affect, were at their lowest and the prevalence of risk of depression was at its highest. For both younger and older people, levels of mental well-being have improved since the height of the pandemic. However, the recovery has not been equal across age groups, with mental well-being showing a slightly stronger recovery among those aged 30 and older than among people aged 16–29. Because the mental well-being of older age groups has recovered faster, the gap in mental well-being is now larger than it was at the start of the pandemic: for those aged 16–29, the average WHO-5 score is 48.0, whereas for those aged 30 plus it is 52.0. In the spring of 2020, the average scores were 47.6 and 50.2, respectively. As the gap in average WHO-5 scores between young people and older people has increased, so too has the gap in the prevalence of risk of depression.

Mental well-being has also recovered at different rates across Member States. In 2021, differences also exist within Member States. In 2020, levels of mental well-being in cities and rural areas were similar, and residents of both reported higher levels of mental well-being than those living in areas of intermediate population density (medium to large towns). However, residents of rural areas reported much larger reductions in mental well-being between 2020 and 2021, from which they have only partly recovered. Residents of cities and towns reported, on average, more significantly improved levels of mental well-being in 2023 compared with 2020.

Trends in negative affect

Levels of mental well-being can also be measured in terms of negative affect. Here, negative affect refers to feeling negative emotions – feeling tense, lonely or downhearted and depressed – over the previous two weeks (Figure 34). Negative affect, as measured by each of the three indicators, was at its highest in spring 2021 and has decreased since. However, the decrease was smaller among young people than among older respondents, and the gap between them increased for all measures between 2022 and 2023. The proportion of young people feeling tense all of the time or most of the time gradually decreased after 2021. Loneliness among young people decreased between 2021 and 2022 but registered a slight increase between 2022 and 2023. The proportion of young people feeling downhearted and depressed fell between 2021 and 2022, and from 2022 to 2023 it continued to fall.

Figure 33: WHO-5 average scores and proportions of people at risk of depression by age group, EU27, 2020–2023

Note: ‘WHO-5’ refers to the WHO-5 Well-being Index; risk of depression is defined as having a WHO-5 score of 50 points or lower.

Sources: Living, working and COVID-19 e-survey, 2020–2022; Living and working in the EU e-survey, 2023
A previous Eurofound report found that young women were among the groups with the lowest mental well-being scores during the pandemic, and their frequency of negative feelings increased on average as the pandemic progressed (Eurofound, 2021). The most recent data (from the spring of 2023) show that the gap between the proportions of young men and young women feeling depressed has decreased (15.4% of young women and 15.1% of young men report depressive symptoms, compared with 22.4% and 21.1%, respectively, in 2021). On the other hand, the gender gap remains relatively large when it comes to feeling tense (reported by 23.5% of young women and 19.9% of young men in the spring of 2023). In terms of loneliness, the opposite trend can be observed: young women are less likely to feel lonely than young men (16.9% versus 21.2%). While both young men and young women reported an increase in feelings of loneliness between 2020 and 2021, young women have recovered more quickly in this regard since the height of the COVID-19 crisis.

Overall, expectations that youth mental well-being will remain a concern in the longer term seem to be confirmed by this data collection. While average levels of mental health have improved, a large proportion of young people still report frequent negative feelings, particularly feeling tense and experiencing loneliness, more so than older groups.

Transition to adulthood and mental well-being

Chapter 2 provided data on the high proportion of young people, even those in employment, who remain living in the parental home, and highlighted research by Luppi et al (2021) showing the increased uncertainty caused by the COVID-19 pandemic and the associated delays to or abandonment of young people’s plans to move out of the parental home. Research on the downward trajectory in the mental health of children and teenagers over the past several decades has posited that a decline in independence has been a primary driver of this trend (Gray et al, 2023). Therefore, it is important to consider the possible effects that delaying major life plans might have on young people’s mental health.

Data from the spring of 2023 show that the risk of depression is higher for those young people who experience a mismatch between what they would like to do in the next year and what they are able to make plans to do (Figure 35). The relative gap is larger for plans related to employment: for getting a job, it is just under 22 pp and for changing job it is 19 pp.

The higher percentage of risk of depression among those young people who have a mismatch between their wishes and their plans may be driven by the underlying factors that lead to the mismatch. For
example, the data show that those young people who are financially strained are more likely to be unable to align their concrete plans with their wishes. This is the case for moving out of the parental home, changing job or buying a home; however, it is not the case for getting a job (Figure 36). The difference in rates of mismatch between those young people who are and who are not financially strained is largest when it comes to wishes and plans to move out of the parental home. Among those who are not financially strained, 14% experience a mismatch between their aspirations and their plans, compared with 24% of those respondents who are financially strained.

These findings serve to highlight the need to ensure that young people have an equal chance to participate in the economic recovery following the COVID-19 crisis. If the patterns of the Great Recession are repeated and young people suffer greater economic losses than older age cohorts, this could impact their transition to adulthood, with possible negative effects on their mental health and well-being.

Self-perceived social exclusion

During the COVID-19 pandemic, all the main spaces for young people to gather – schools and universities, youth centres and youth work settings, sports centres and recreational spaces – were closed, leading to increased feelings of being excluded and isolated. Socialising is more important for young people than for older adults, as peer interaction is an important aspect of development (Orben et al, 2020), which is one of the reasons why young people’s mental well-being was more severely affected by physical distancing measures than that of older groups.

Self-perceived social exclusion was measured in the Living, working and COVID-19 and the Living and working in the EU e-surveys by asking respondents to what extent they agreed with the statement ‘I feel left out of society’ on a scale of 1 to 5. The proportion of respondents who strongly agreed or agreed with this statement was highest during early 2021 (Figure 37). During the pandemic, young people were more likely to feel excluded from society than older groups, and the average gaps between those under 30 and the older groups were at their largest in 2021. By 2023, the survey found a significantly lower likelihood of feeling socially excluded among 16- to 29-year-olds, close to the average across age groups.
In 2021, the year that seems to have been the most difficult for young people during this period, self-perceived social exclusion among them was highest in Ireland (63%), followed by Hungary (44%) and Czechia (43%). Other countries with high self-perceived social exclusion among young people included Poland, Greece, Denmark and Sweden (40–42%). In 2023, young people in Ireland are still the most likely to feel socially excluded, although only about half as many report this compared with 2021 (33%). Member States now have more similar rates of self-perceived social exclusion among young people, with the lowest levels measured in Germany and the Netherlands (9% and 11%, respectively).

A gender difference can also be seen: young women were more likely to feel excluded from society than young men during 2021–2022, with the largest difference measured in 2021 (when 34% of women and 28% of men under 30 felt excluded), while no gender difference in rates of self-perceived social exclusion was found in 2023 (both 20%), as had been the case in 2020 (both 23%).

Young people living with their parents are more likely to feel excluded from society than those who live independently (27% versus 16%). Self-perceived social exclusion is very common among unemployed young people (49%) and those who are economically inactive other than students (40%), and it is less common among those who are employed (20%) or students (13%). Social exclusion is particularly high among unemployed young people who live with their parents (58%).

Having a mismatch between one’s wishes and concrete plans also seems to have a relationship with self-perceived social exclusion. Young people whose aspirations and plans are mismatched with regard to changing job, participating in tertiary education, moving out of the parental home or buying a home are all more likely to feel socially excluded than their peers with no such mismatch (Figure 38).

**Figure 37: Self-perceived social exclusion by age group, EU27, 2020–2023 (%)**

**Figure 38: Self-perceived social exclusion among young people with and without a mismatch between aspirations and plans, EU27, 2023 (%)**

*Note:* The figure presents the percentage of respondents who feel socially excluded by whether or not there is a mismatch between their aspirations and concrete plans over a one-year period. Figures have been rounded up to nearest whole number.

*Source:* Authors’ calculations using data from the Living and working in the EU e-survey, 2023.
A regression analysis controlling for country and age shows that young people who have a disability or a migration background, those living with their parents or with a partner and those who are unemployed are more likely to feel excluded from society. Young people who have a tertiary-level education, a high income or children are less likely to feel excluded (Figure 39).

A regression analysis including having a mismatch between wishes and plans to move out of the parental home shows that young people aged under 35 who are unable to move out, despite wanting to, are 8% more likely to feel excluded from society than those without such a mismatch (Figure 40). In addition, after controlling for income, this difference is no longer significant, suggesting that it is financial strain – a strong predictor of mismatch between wishes and plans to move out (see Figure 36) – rather than the mismatch itself that is associated with a higher probability of feeling socially excluded.

Notes: The figure presents the marginal effects from a logit model. The model also controlled for country fixed effects. Survey weights were applied in the model.

Source: Authors’ calculations using data from the Living and working in the EU e-survey, 2023
Figure 40: Probability of feeling socially excluded, EU27, 2023 – selected average marginal effects including of mismatch between plans and aspirations to move out of the parental home

Notes: The figure presents the marginal effects from a logit model. The model also controlled for country fixed effects, having children and living with a partner. Survey weights were applied in the model.

Source: Authors’ calculations using data from the Living and working in the EU e-survey, 2023
As explored in Chapter 2, moving out of the family home is an important part of ‘the Plan’ – a young person’s idea about the route they will take from adolescence to adulthood (Arnett, 2015), and has an important role in exploring one’s identity and reaching adulthood. What happens after moving out differs according to individual circumstances and preferences, as well as the socioeconomic context.

The share of (young) people living alone has increased in recent decades (between 2009 and 2022, it grew from 9% to 12% among 18- to 24-year-olds and from 11% to 15% among 20- to 49-year-olds). However, for many young people living alone is not affordable, as a result of rising rents, and some choose not to live alone, given that doing so contributed to feelings of loneliness during the pandemic. Many young people’s long-term plans still involve a partner and children. Meanwhile, where circumstances prevent young people from finding a job or being able to move into their own home, many are looking to move abroad.

While plans to move out of the parental home have been discussed in Chapter 2 in the context of young people’s housing and financial situations, this chapter explores their plans to form a new household by moving in with a partner, getting married and/or having children. In addition, young people’s plans to move abroad and potential reasons why they wish to do so are discussed.

New household formation

While ‘the Plan’ differs according to socioeconomic context and individual situation, among young people aged 20–34 over half are hoping to move in with a partner within three years (the question included people who did not have a partner), with 42% wishing to do so within the next year. Over a third had concrete plans to do so within three years, but only a fifth within the next year.

Fewer young people plan to get married or have children within these time frames; the proportions of those who hope to do so and those who are already planning to do so are similar (Figure 41).

Looking more closely at plans to have children in the near future, certain factors are related to having such plans over a one-year and a three-year period (Figure 42; only the former is shown). When controlling for country and age, as well as the factors shown in the figure, living with a partner and having a high income are both associated with a higher likelihood of planning to have children soon. Living with parents is also associated with a higher probability of planning to have a child compared with renting or being a homeowner. Since the model controls for income, this may be related to the availability of parents for support and help with childcare. On the other hand, being a student and identifying as LGBTQ+ are both associated with a lower likelihood of planning to have a child in the short term.

Figure 41: Young people’s plans and wishes related to family, EU27, 2023 (%)

Notes: The analysis covers people aged 20–34. The question about moving in with a partner was asked only of those who were not living with a partner; the other questions were asked of all young people.
Source: Living and working in the EU e-survey, 2023

Plan to (1 year) Would like to (1 year) Plan to (3 years) Would like to (3 years)
Get married Move in with partner Have children
12 11 23 20 19 12 35 12 22 11

0 10 20 30 40 50 60
It is potentially more interesting to identify factors that may prevent young people who wish to have children from actually planning to do so. Figure 43 shows the probability of having a mismatch between wanting to

Notes: Analysis covers people aged 20–34. The model also controlled for country and age.
Source: Living and working in the EU e-survey, 2023

Notes: Analysis covers people aged 20–34. The model also controlled for country and age.
Source: Living and working in the EU e-survey, 2023
have a child within a year if circumstances were ideal and having actual plans to do so. Most notably, young people who identify as LGBTQ+ are the most likely to have this mismatch. This complements findings by Batz et al (2023) that people with minoritised sexual identities were less likely to indicate desire for parenthood than heterosexual individuals. Young people at risk of depression (based on their WHO-5 score, as explained in the section ‘Mental well-being’ in Chapter 3) are also more likely to have a mismatch. Living with a partner, having a high income and being a homeowner are associated with a lower likelihood of having a mismatch between wishing and planning to start a family.

Moving to a different country

Young people were asked if they would like to or were planning to move to a different country within the next year or the next three years. Looking at a three-year time frame (Figure 44), young people living in Ireland were most likely to indicate that if circumstances were ideal they would move. This is in line with recent national surveys highlighting the severe impact of the housing crisis and the cost-of-living crisis on young people (see, for example, NYCI, 2022). In the two countries that follow, Cyprus and Hungary, the proportions of young people who actually plan to leave are the highest in the EU; unlike in Ireland, in these two countries the rate of mismatch between wishes and concrete plans is very low.

A regression model controlling for country, age and other factors shows that young people in Hungary and Italy are most likely to wish to leave within three years, and those in Hungary are also most likely to be actually planning to leave. Age is inversely related to both wishing and planning to move, with older young people less likely to do so.

Figure 45 shows the result of the regression model on wishing to move abroad, and Figure 46 shows the results on planning to move abroad (the model included country and age, but these are not shown in the figures). Young men are more likely to wish to move abroad, but no gender differences are found in terms of concrete plans. Those who have a migrant background are more likely to want to and plan to move abroad. In terms of household composition, those living with their partner are less likely to have concrete plans to move abroad, while those living with their parents are more likely than homeowners (but not significantly more or less likely than those renting). Those who are economically inactive (excluding students) are less likely to plan to move abroad, potentially because this group includes homemakers with care responsibilities.

Young people who have completed tertiary education and those with a middle-income level are most likely to wish to move abroad. When it comes to concrete plans, young people with either a medium or a high income are more likely to have plans to move abroad than those with a low income.

Figure 44: Young people planning or wishing to move to a different country within three years by Member State, 2023 (%)

Note: Data for Czechia, Denmark, Lithuania and Luxembourg are not shown due to low reliability. Source: Living and working in the EU e-survey, 2023
**Figure 45: Probability of wishing to move to another country within three years, EU27, 2023 – average marginal effects**

![Graph showing probability of wishing to move to another country within three years, EU27, 2023 – average marginal effects.](image)

**Note:** The model also controlled for country and age.

**Source:** Living and working in the EU e-survey, 2023

**Figure 46: Probability of planning to move to another country within three years, EU27, 2023 – average marginal effects**

![Graph showing probability of planning to move to another country within three years, EU27, 2023 – average marginal effects.](image)

**Note:** The model also controlled for country and age.

**Source:** Living and working in the EU e-survey, 2023
The previous chapters explored young people’s social and economic circumstances since the COVID-19 pandemic and how these are shaping their plans for the future. In the context of the pandemic, the EU institutions aimed to contribute to the recovery of young people’s economic outcomes by reinforcing the Youth Guarantee, which has now been in place for over 10 years.

This chapter explores developments relating to the reinforced Youth Guarantee (RYG) in the aftermath of the pandemic. It is based on desk research, including a literature review, and 17 semi-structured interviews with stakeholders from 10 countries chosen to ensure representation across all regions of the EU (Belgium, Croatia, Estonia, Finland, France, Lithuania, Malta, Portugal, Spain and Sweden). The chapter starts by presenting the policy context and debates shaping the development of youth guarantee schemes more generally. Then it highlights the new elements of the RYG, giving examples of its implementation in practice. More detailed descriptions of countries’ experiences with the RYG as of 2023 are then provided. The chapter concludes by setting out key findings and policy implications. As the RYG was adopted in late 2020 and is still in the relatively early stages of implementation, no systematic and recent evaluation was available at the time of writing. Therefore, the chapter relies on preliminary findings and qualitative insights. Nevertheless, the hope is that it contributes towards a better understanding of the progress made and the challenges experienced by those working on the RYG’s implementation. While policy developments in other areas related to helping young people become independent (for example, housing and mental health) are briefly touched upon, the emphasis is on employment, including training, traineeships and apprenticeships.

Policy context of the reinforced Youth Guarantee

The history of youth guarantee schemes in Europe goes back to the 1980s, when the idea was proposed and then introduced in the Nordic countries. Sweden was the first country to introduce a youth guarantee scheme, in 1984, followed by Norway (1993), Denmark and Finland (1996) and Austria (1998) (European Commission, 2018). After several steps taken in that direction from 2005, the European Commission proposed the Youth Guarantee in 2013 as a response to high youth unemployment following the 2007–2008 global financial crisis. The Youth Guarantee was reinforced in 2020 in the context of the pandemic, targeting an extended age range (those aged 15–29) and putting an additional focus on aspects including job quality and serving those who are hardest to reach.

The RYG aims to ensure that all young people under the age of 30 receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving education (European Commission, 2020a). The RYG reflects the commitment in the European Pillar of Social Rights action plan to reduce the NEET rate among those aged 15–29 from 12.6% in 2019 to 9% by 2030 (Eurofound, 2021; European Commission, 2021). The RYG is output-oriented and not normative. It offers a framework that is adaptable, allowing Member States and regions to develop their own tailored schemes. By mid-2023, several Member States (for example, Estonia, Lithuania, Portugal and Spain) had issued new action plans. Others relied on the policy infrastructure established during the implementation of the Youth Guarantee and incorporated the RYG framework into existing processes (such as Belgium, Ireland and Sweden) or extended previous implementation plans (for instance, Croatia).
Data on the implementation of the Youth Guarantee are collected annually from Member States and assessed by the Employment Committee, the EU entity responsible for reporting. The last available evaluation at the time of writing dates from 2021, using data collected up to 2020 (Council of the European Union, 2021). In 2022, the European Committee of the Regions analysed the local implementation of the RYG, focusing on public employment services (PES) (CoR, 2022). In addition, the European Network of Public Employment Services regularly carries out a survey on PES implementation of the Youth Guarantee and publishes a report based on the survey findings.

**Evaluations of the Youth Guarantee**

The social model of the RYG is based on the understanding that young people face distinctive challenges in entering employment and need help. The RYG puts young people at the centre of policy concerns regarding employment. This sets it apart from other labour market policies.

Overall, the Youth Guarantee offered over 24 million young people employment, continued education, an apprenticeship or a traineeship within a short period after becoming unemployed or leaving formal education (European Commission, 2020a). For most young people, this happened within the target time frame of four months, but for young people facing multiple challenges longer periods were often required. The majority of offers were of employment. The Youth Guarantee stimulated the reform of PES (or otherwise resulted in the strengthening of existing services) and ensured they engaged more with diverse groups. It also engaged companies in supporting young people.

As the EU leaves countries to decide on measures implementing the Youth Guarantee and monitors only a limited set of indicators, previous evaluations have been rather limited in their capacity to lead to decisive findings. The RYG has been positively assessed internationally, with findings that it has had a stabilising effect, supporting youth employment and providing an important fiscal contribution to job creation for the young (Rinne et al, 2022; ILO, 2023). Criticism of the policy itself has been limited, with drawbacks found to relate to its implementation at country level.

Measures under the Youth Guarantee have been criticised for not addressing regional disparities in education and training, or the quality of employment services (Pavlovaite, 2021). According to Pastore (2015), precisely the Member States that needed policies to reduce youth unemployment (such as southern European countries) had the least developed institutional capacities and absorption rates; conversely, countries with advanced PES (notably the Nordic countries and Austria) implemented Youth Guarantee measures successfully and succeeded in somewhat reducing youth unemployment. A European Court of Auditors assessment (2015) recognised some progress in the relatively short time since the introduction of the Youth Guarantee. However, it stated that the scheme had fallen short of the expectation of reaching the young people who need interventions the most. Later, the *White paper on the future of Europe* admitted that in the case of youth unemployment there is ‘a mismatch between expectations and the EU’s capacity to meet them’ (European Commission, 2017, p. 13).

Previous evaluations of the Youth Guarantee have found that reducing youth unemployment is highly dependent on simultaneously addressing other policy areas, for example by improving family support services or through a combination of benefit provision with active labour market policies and housing support (Eichhorst and Rinne, 2017; Serme-Morin, 2021). Similarly, in its assessment the European Youth Forum found that the focus of the Youth Guarantee was not broad enough in relation to the root causes of social and economic exclusion (Euractiv, 2020). A report by the EU and Council of Europe Youth Partnership suggests that European and national policies have focused disproportionately on employment and training, while overlooking the importance of dignified and affordable housing (Serme-Morin, 2021). Housing exclusion (high rent, poor-quality housing, homelessness) has implications for well-being; it disrupts education, fractures support networks and weakens mental health.

As the Youth Guarantee itself did not create new jobs, it has been argued that, without measures to stimulate growth, the policy was bound to fail as a tool to create full employment (Pastore, 2015). Indeed, a concern from the previous implementation period related to the sustainability of the approach, given that most Member States used EU funding to provide recruitment subsidies resulting in offers of employment. Employer representatives were in favour of financial incentives for economic growth that would lead, more organically, to job creation: ‘the jobs that people enter through the Youth Guarantee scheme should be “real” jobs and not ones that have been artificially created by public authorities, either directly or indirectly’ (SMEunited, 2020, p. 4).

Ultimately, the RYG is embedded in a labour market that is increasingly precarious. In many countries, there have been concerns about the risks of traineeships being misused as alternatives to employment contracts. Often, young people received poorly paid, dead-end work experience, including traineeships, and not genuinely good-quality routes into employment. The European Parliament, the European Youth Forum and the European Trade Union Confederation have called for binding quality standards on including social protection and remuneration (Pavlovaite, 2021;
European Youth Forum, 2022). The update to the 2014 quality framework for traineeships – as announced in the Commission’s 2023 work programme – is expected to address this concern (European Commission, 2022a, 2023).

From a broader conceptual perspective, it has been stated that simply targeting measures at young people is unlikely to make much difference, as movements in youth unemployment rates tend to be correlated more with changes in total unemployment and growth than with factors specific to youth unemployment, such as training or schooling (Bruegel, 2013). The argument was that youth unemployment rates twice as high as total unemployment are a general phenomenon, fairly constant across economic cycles and widespread across the globe, which indicates the structural nature of the problem (Bruegel, 2013).

In the final analysis, however, it must be admitted that young people do face specific barriers to labour market entry that need to be addressed, including on the basis of ethical and social justice concerns. Public and media discourse tends to promote an individualised understanding of school-to-work transitions (Simões, 2022); the RYG can act as a tool to strengthen the role of public policies in this process.

Four phases and crosscutting enablers of reinforced Youth Guarantee implementation

The RYG introduces several new elements, notably an expanded age range, up to 29, and a stronger focus on young people in longer-term NEET situations, a group experiencing multiple, more engrained disadvantages and requiring more intensive, sometimes one-to-one, support (European Commission, 2020a). It has four proactive phases – mapping, outreach, preparation and engaging with young people – as well as several ‘crosscutting enablers’: institutional partnerships, data collection, and efforts towards making full and optimal use of funds. This section looks at the process throughout these main phases, including several recent examples of implementation in practice.

Mapping

Mapping refers to the early identification of young people at risk of becoming NEET, of the available services and of skills required. This phase depends on the availability of large datasets and on coordination among major actors and institutions: for instance, schools, PES, statistical offices. Many interviewees reported fractured links between different institutions, often attributed to data protection regulations that prevent local authorities from sharing young people’s information with each other and to outdated registries, especially in terms of information on very mobile groups.

Research suggests that disadvantaged young adults, especially young men, have weak connections with institutions because they perceive that they have a lack of opportunities (Pantea, 2019; Redmond et al, 2023). Evidence from Italy highlights a ‘blackout’ period in preventative social protection policy measures between when young men and women turn 18 and when they become ‘visible’ again to services in their late thirties, because of health or child protection issues (Unt et al, 2023). In countries with high levels of labour mobility within the EU (Bulgaria, Croatia, Hungary, Poland, Romania), accessing information is an institutional challenge. These are also countries with a high Roma youth population that is often not reached by Youth Guarantee measures. The European Roma Grassroots Organisations Network has highlighted the challenges involved in reaching this group and has called for more flexible and accessible registration processes, partnerships with Roma non-governmental organisations and training to help employment officers and employers to fight antigypsyism, among other measures (ERGO Network, 2020). Many young people potentially eligible for support from RYG measures disappear off the institutional radar, leaving insufficient data on their sociodemographic characteristics, including regional distribution and labour market status. In small countries, more comprehensive data collection is possible. Malta, for instance, has carried out its second NEET census (August–December 2023). It collected data on employment but also on the implications of the COVID-19 pandemic for young people who are NEET.

However, national data cannot always tell the full story, as the share of young people who are NEET is often highly dependent on the regional (not national) context. Different regions in the same country can have among the highest and lowest shares of NEET young people found at regional level across the EU (CoR, 2022). Thus, regional mapping is important.

Outreach

PES need to connect with hard-to-reach young people in ways that are sensitive to their values, worldviews and practices. Culturally competent strategies are key, as young people may be disengaged, sceptical or distrustful of state interventions. Possible strategies include one-stop shops, trained mediators, mobile youth work, youth ambassadors and provision of benefits (Eurocities, 2020; European Commission, 2020b).

In 2019, Finland was the only country requiring municipalities to employ youth outreach workers (CoR, 2022). They visited schools, called parents and provided integrated support in the country’s over 50 one-stop guidance centres (Ohjaamos). There, young people can get help in relation to work, education, career, healthcare, substance abuse and addictions, and housing and social care, among other issues. Ohjaamos
are low-threshold multidisciplinary guidance services, with face-to-face, digital and anonymous service delivery. They have received exceptional institutional backing and a high level of interest from young people because they challenge conventional practices and operational culture. Because they enable multi-agency collaboration under one roof, they are ‘the most ambitious investment on the national level in the provision of multi-agency youth services in Finland’ and a key aspect of the country’s delivery of the Youth Guarantee (Määttä, undated). Since 2021, the Finnish government has been taking measures to strengthen the multidisciplinary character of these youth centres,\(^5\) with a focus in particular on mental health services and short-term psychotherapy (Konle-Seidl and Picarella, 2021).

Elsewhere (Bulgaria, Spain and the Brussels Region of Belgium), grassroots youth work and youth ambassadors have connected through peer-to-peer strategies with several disadvantaged groups (Roma, young people with disabilities, migrants). Estonia uses mobile services in remote areas and to counsel young prisoners shortly before their release. In France, the ‘1 young person – 1 solution’ plan provides local counselling services at regional level.

In Latvia, measures under the RYG aim to reach young people facing significant disadvantages, such as an incomplete basic education, learning difficulties, lone parenthood, a criminal record, addictions and health problems, housing insecurity or a history of institutionalisation. Despite some success, reaching unregistered, inactive young people was less feasible than initially estimated because of limited access to information from partner institutions. This lack of access to information seems to be an issue in many countries: relevant authorities do not receive the information they need on, for example, school leavers. In Hungary, only 4% of participants in a large-scale Youth Guarantee project that was extended until 2022 were inactive before joining the programme (NFSZ, 2022). In Romania – a country in which two in three Roma young people are NEET (Toderiță et al, 2019) – the implementation of the RYG has been delayed given the lack of capacity of PES to reach the most disadvantaged groups (Meiroșu et al, 2020).

**Preparation**

The preparation phase manages the transition from the initial registration of a young person to the point where they are made an offer of employment or training. It entails matching needs through a tailored, holistic approach that may involve a wide range of services: counselling, guidance and mentoring (including referrals to partners), and additional upskilling, especially in relation to digital and green skills (but also language, entrepreneurship and career management skills). It is at this stage that an individualised action plan is proposed and agreed upon.

Several countries use statistical profiling carried out by PES to categorise young people according to their potential for gaining employment as low-risk, medium-risk and high-risk jobseekers.\(^6\) This process can inform the implementation of RYG measures, identify the clients most likely to need intervention and help in better targeting resources. However, profiling has been criticised for giving rise to misclassifications, reinforcing discrimination and focusing on the prediction of outcomes at the expense of revealing which programme works for whom (van Landeghem et al, 2021). Furthermore, the trade-offs involved in collecting detailed statistical data from already disengaged young people need to be considered.

Preparing young people for an offer requires a sensitive approach. Recent experience from the Dutch PES shows that the skills needed can be learned. More than half of Dutch PES counsellors participated in voluntary training based on recent behavioural research. The experience shifted the conventional thinking about people’s ‘unwillingness to act’ and need for motivation towards a focus on their (reduced) ‘capacity to act’. This resulted in improved client attendance at appointments and more people applying for jobs (European Commission, 2022b). In Sweden, everyone in the target group has a fixed contact person in the PES. This prevents disempowering situations in which a young person needs to tell their life story repeatedly to different professionals (Government of Sweden, 2023).

Interviewees reported encouraging results from assessments of digital skills among young people (in Malta and the Brussels Region in Belgium). PES seem generally to have a good understanding of the type of digital skills that are needed in employment. Yet, despite an overly general commitment towards the green transition, there is some uncertainty about what green jobs actually entail. Interviewees stressed the importance of stronger links with industry, partly to ensure that the most disadvantaged are not excluded from the emerging green transition.

Practitioners had mixed experiences in relation to the four-month period to ensure that young people receive an offer.\(^7\) This seemed a realistic timetable for those experiencing a brief period of unemployment, but not for young people in long-term NEET situations, who

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\(^5\) It has done this using a €6.5 million allocation through the Recovery and Resilience Facility to be spent during 2021–2026.

\(^6\) Statistical profiling is used in Austria, Denmark, Germany, Finland, Italy, Ireland, Latvia, the Netherlands, Malta and Sweden, and in the Flemish Region of Belgium (for further information, see the Institute of Labor Economics interactive map at https://wol.iza.org/articles/statistical-profiling-of-unemployed-jobseekers/map). Qualitative assessments are used to profile jobseekers in Romania and Slovenia.

\(^7\) Finland and Sweden have a national three-month timeline, which is not without challenges.
may need not a work-first approach but comprehensive support to address mental health problems, family issues or addictions. Several interviewees argued that the ability to adapt RYG measures at local, not national, level would enable more autonomy to ensure that interventions are sustainable.

**Engaging with young people**

Support measures include, in addition to unemployment benefits, conventional active labour market policy measures in various configurations: job search assistance, training programmes, subsidised employment with private employers, public employment programmes, start-up subsidies, and assistance with and support for self-employment. More recently, the RYG has introduced additional measures: support for transnational and territorial professional mobility, and job retention schemes (which were key to protecting jobs and livelihoods during the pandemic).

**Job search assistance**

The RYG follows a rights-based approach to make sure that ‘longer-term NEETs understand not only their potential but also their rights’ (European Commission, 2020a). This approach entails a shift in the conventional practice of PES. More recent approaches in career development involve increasing young people’s awareness of structural conditions and empowering them through a better understanding of social justice, and a reconceptualisation of the job seeking process so that it is viewed not as a race but as a journey (Hooley, 2023). According to the interviews, the extent to which PES have the capacity to provide a ‘holistic approach to counselling’ (European Commission, 2020a) varies.

This was also true in 2020, when national PES did not always have the political mandate and organisational capacity required to carry out the demanding work needed for this holistic approach. In only eight Member States were PES proactive enough and well prepared to face the new challenges of the RYG; many still regarded their primary role as assisting their already registered unemployed clients (Konle-Seidl, 2020). Various strategies have been implemented with the aim of achieving upward convergence since 2020: the ‘benchlearning’ exercise of the European Network of Public Employment Services; yearly data collection and qualitative peer assessments; benchmarking based on a common assessment framework; and the use of mandatory indicators to assess PES excellence.

**Continued education**

In several countries (such as Estonia and Sweden), young people who have not completed their compulsory education receive a by-default ‘back to school’ offer. In Sweden, those under 20 are guided towards formal education, while early school leavers between 20 and 24 years of age are entitled to study in adult education towards completing upper secondary education. Folk high schools (folkhögskola) are important second-chance institutions with a unique pedagogical approach and flexible conditions, succeeding in educating young people with whom other types of school have failed.8

In contrast, Romania’s second-chance programmes providing remedial education to NEET young people – despite having been around for a long time – have still not received a strong evaluation of impact and are at high risk of doing more harm than good (Lauritzen, 2020). Because they are not adapted to the learning styles, social needs and cultural profiles of the various groups that may attend (Roma children, NEET young people, adults, youth offenders), second-chance programmes are generally unable to offer attendees a real chance to succeed (Lauritzen, 2020).

Recent assessments of school-to-work transition measures in the framework of the Recovery and Resilience Facility have identified a disproportionate focus on formal education at the expense of the provision of a variety of good-quality training (Simões, 2022). While formal education can function as a protective factor against unemployment, this is not always the case, especially given the rise of overqualification and unpaid internships (Simões, 2022; Moxon et al, 2023).

**Training and apprenticeship programmes**

A first assessment of subsidised work-based learning opportunities such as training and apprenticeship bonuses indicated mixed results (Konle-Seidl and Picarella, 2021). In France, the secure apprenticeships scheme, part of the country’s comprehensive ‘1 young person – 1 solution’ plan, was particularly successful. The number of apprenticeships increased from 531,000 in 2020 to 891,000 in 2022. The campaign primarily targets sectors having difficulty recruiting candidates (such as construction, IT and telecommunications, health services). In addition, in March 2022 the Youth Engagement Contract was introduced, enabling young people with few qualifications, those from deprived 8 See Section 6.3, ‘Preventing early leaving from education and training (ELET)’, in the entry for Sweden on Youth Wiki, an online platform presenting information on European countries’ youth policies, at https://national-policies.eacea.ec.europa.eu/youthwiki/chapters/sweden/63-preventing-early-leaving-from-education-and-training-elet
urban areas and those from remote villages to benefit from intensive support: 16 hours of activities per week, such as individual and group counselling, training sessions, second-chance schools and subsidised employment. Early results are encouraging. In only seven months, as many as 178,000 young people signed a contract. Of them, 45% had no qualifications (Ministère du Travail, du Plein emploi et de l’Insertion, 2022).

In Germany, a secure apprenticeships scheme was initiated in mid-2020 to incentivise companies to maintain or increase the number of training contracts they offered. Yet the demand for the scheme has been assessed as rather low, with 34,800 incentives paid out one year later (Haufe, 2021). Problems are attributed to the unattractiveness of vocational education and training (VET) and apprenticeships, as well as to the variable quality of vocational training, which is often insufficient to propel low-achieving young people into good-quality employment. As a large cohort of VET foremen is approaching retirement, Germany also faces a pressing need to replace training staff, complicated by companies’ restructuring of work-based learning (Blank et al, 2022).

Research suggests positive average earnings returns (at least in the short run) for those carrying out apprenticeships, albeit with high variation among sectors. However, apprenticeships have also been found to be drivers of the gender gap in earnings (Cavaglia et al, 2020). The main sources of the gender gap are occupational segregation, the duration of apprenticeships (largely sector-specific), the complexity of apprenticeships (with women less likely to access intermediate and high-level apprenticeships) and women’s lower occupational mobility after pursuing an apprenticeship, in comparison with men. It has been observed that men specialise in vocational areas where ‘having an apprenticeship is more beneficial for future earnings’ (Cavaglia et al, 2020). The major practical implication for the RYG is that the career information provided should take into account the quality of available apprenticeships, rather than encouraging young people to take any type of apprenticeship at all.

With regard to traineeships, in Spain, after a successful project under the Youth Guarantee, the legislation on traineeships changed such that companies could not continue in the same way under the RYG. Nevertheless, employers were willing to provide mentoring under the reinforced scheme. According to the Gijón Youth Activation Agency, public acknowledgement of employers as supporters of a Youth Guarantee scheme, a logo that companies could use to signal their commitment to young people and media visibility all played a role in the success of the traineeship scheme. Recently, a new Statute of Trainees was introduced under the country’s Youth Guarantee plan, regulating curricular and extracurricular internships. Despite its intention to strengthen interns’ rights and ensure decent working conditions, it has been criticised for not addressing some of the key deficiencies of the Youth Guarantee as implemented during 2014–2020: lack of correspondence between services offered and needs, hidden subsidisation of companies and low capacity to reach out to vulnerable young people (Corti and Ruiz de la Ossa, 2023).

**Subsidised employment with private employers**

Interviewees offered a mixed picture of the quality of employment supported through the RYG. On the one hand, there were concerns about the misuse of traineeships as a substitute for regular employment. On the other hand, positive experiences of high employment rates among those who had had a traineeship were reported (for example, by the Ministry for Innovation and Technology in Hungary and the Gijón Youth Activation Agency in Spain). A common theme, however, was that, in 2023, because of labour shortages, the supply of jobs was higher than the demand for them but employment was increasingly precarious and with high turnover rates.

Engaging companies in the RYG to increase youth employment requires strong administrative support. Interviews suggested that – although companies have an interest in recruiting young people – turning to measures under the RYG is still not their default option. In most cases, PES put a lot of resources into encouraging employers to use the RYG, presenting it as an attractive option and processing the paperwork.

**Assistance with entrepreneurship and self-employment**

Young people’s interest in self-employment seems to be increasing in Croatia, Finland, Lithuania and Spain, among other countries, and the expectation is that the RYG will support new business creation. The implementation of the RYG in Finland includes start-up trials for young people. There, regional pilot projects have developed methods of identifying young people with entrepreneurial potential and providing support to enable them to explore this career option. However, engaging with young people in long-term NEET situations is more difficult, given their structural disadvantages.

Platform work is increasingly providing self-employment options. However, interviewees reported difficulties in coming up with measures that could improve the working conditions and social protection of platform workers and in helping young people to navigate the various different employment arrangements. Many expressed a sense of being ‘two steps behind’ the novel non-standard forms of work in the sector. Maintaining a political focus on decent work and social rights was considered crucial.
Welfare benefits
Member States have their own policy arrangements for allocating welfare benefits. Yet, they largely share a common trend towards conditional provision. The NEET rate tends to decrease when the transition from welfare support to employment is coupled with family support services. For instance, in Ireland, the disconnection between the lone-parent benefits and activation measures has long been criticised by the OECD and the European Commission (Redmond et al., 2023). When a policy change that restricted the entitlement criteria for the lone-parent benefit was accompanied by affordable childcare, the risk of young mothers becoming NEET decreased from 22% in 2011 to just under 10% in 2021 (van Vugt, 2023; Levels et al., 2022). Similarly, Malta has developed strong childcare support services and is now gradually decreasing (not cancelling) welfare benefits for those entering employment. These examples substantiate the strong connection between family policies and tackling long-term unemployment.

Post-placement support and programme evaluation
Interviewees suggested that provision of post-placement support was rather the exception than the norm, despite the RYG emphasising the importance of this. With regard to programme evaluation, while under the Youth Guarantee as originally implemented there were countries where large-scale data for impact evaluation were not collected (for instance, Italy and Romania), the RYG put a more explicit emphasis on evaluation. Measuring the impact of active labour market policies, which form the basis of the RYG, can be done only over time, however. A meta-analysis of over 200 studies of such policies indicates that average impacts are close to zero in the short run, but evaluations become more positive two to three years after completion of the programme (Card et al., 2018).

Besides the abovementioned elements that are a formal part of the offer made to young people under the RYG, several interviewees highlighted that programme evaluations pointed to the social value of peer support through group interventions. Providing a sense of community and belonging to disadvantaged young people through the RYG measures was a valuable, if unanticipated, outcome.

Crosscutting enablers
The Council Recommendation of 2020 on reinforcing the Youth Guarantee includes several ‘crosscutting enablers’: (i) mobilising partnerships, (ii) improving the data collection and monitoring of schemes and (iii) making full and optimal use of funds (Council of the European Union, 2020).

Mobilising partnerships
A PES or government department is usually the lead organisation implementing the RYG at national level and plays a key role in its delivery. Yet decisions on the design of interventions need to be based on a consultative, collaborative process involving stakeholders including social partners, employer representatives, national youth councils and non-profit organisations. A lesson learned from the implementation of the Youth Guarantee was that PES need to move from the conventional focus on matching the unemployed to vacancies towards a more comprehensive approach. Many countries used the original version of the Youth Guarantee as an opportunity to reshape (or even to completely reform) their PES. Ireland, for instance, shifted to a proactive activation model, as opposed to predominantly providing passive income support (Kelly et al., 2019). Other countries used the Youth Guarantee to strengthen their PES systems. However, it has been observed that many countries simply ‘missed this opportunity last time’ (Mendes Godinho et al., 2021).

In Estonia, a wide network of representatives of seven relevant areas is involved in a co-creation process and in supporting the implementation of the RYG. Those areas are the health sector, the youth sector, social work, internal security, the education sector, the culture sector, and employment and career services. The challenge now is to enhance synergies within the steering group in ways that integrate its collective expertise.

Ireland relaunched its Employment and Youth Activation Charter in 2022, with firms committing to provide work placements and traineeships (there is a target of 300 employers). As companies may have other measures in place as part of their efforts to be more socially responsible, the government is working towards embedding youth activation into employers’ corporate social responsibility agenda.

In Sweden, one of the main instruments under the Youth Guarantee, intended to help migrants, was the Delegation for the Employment of Young People and Newly Arrived Migrants, which established local agreements between municipalities and the PES (2015–2023). In addition, at the end of 2022, Sweden had 75 coordination agencies linking the Social Insurance Agency, the PES and 273 of its 290 municipalities.9

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Improving data collection and monitoring

The review of the literature and the interviews did not identify any systematic evaluation of the RYG, for instance using randomised controlled trials or comparative research designs. The European Commission does have a database of good practices. However, desk research suggests that the established culture of good practice is insufficiently linked with objective evaluations and that therefore there is a lack of strong evidence for the effectiveness of these practices. The reporting of practices that have been unsuccessful seems to be limited, although these could form part of the knowledge base that those implementing the RYG could learn from. Interviews suggest that those involved in the implementation of the RYG need a safe platform to share their views on what works but also what does not work and what they do not (yet) know.

Furthermore, research in Italy – a country with a historically high rate of youth unemployment and a recipient of a large amount of RYG funds – suggests that national-level monitoring does not necessarily offer a full picture, as it aggregates very diverse conditions (Monti, 2022). When regions have very different local labour market circumstances (as is the case in Italy), a disaggregated, territorial approach may be more appropriate (Monti, 2022; Corti and Ruiz de la Ossa, 2023).

A lesson learned from the previous implementation of the Youth Guarantee is that there is a need to allocate dedicated funding for monitoring and evaluation based on rigorous methodologies (Pastore, 2015). Interviewees from umbrella organisations expressed concerns about the limitations of monitoring and evaluation in countries that do not have clear data collection mechanisms. There were also concerns about the strong economic focus of the RYG at the expense of the social dimension, which might have included efforts to monitor and assess social exclusion and the risk of in-work poverty and its implications.

Making full and optimal use of funds

There are various EU funds for tackling youth unemployment. Approximately €22 billion has been spent on youth employment in the form of the European Social Fund, Youth Employment Initiative investments and national co-financing (European Commission, 2020b). The target for the current programming period is that expenditure will be higher, and Member States with above average NEET rates will be required to allocate 12.5% of the funding that they receive through the European Social Fund Plus to help young people gain a qualification or find good-quality employment. Between 2021 and 2023, Member States were able to increase their resources for NEET young people based on an additional allocation of €55 billion under the Recovery Assistance for Cohesion and the Territories of Europe initiative.

It is difficult to come up with a firm estimate of the costs of setting up a youth guarantee scheme, as such schemes extend across various policy fields and include tangible and non-tangible costs (for instance, for reforms to legislation and PES services, staff training and outreach). A theoretical exercise carried out in 2015 by Eurofound estimated the yearly costs of offering interventions to all NEET young people in the EU aged 15–24 at €50 billion (Eurofound, 2015, p. 73). This was far above the Youth Guarantee budget at that time.

Insufficient national capacity for co-financing may hamper the RYG, an enduring concern that emerged during the implementation of the Youth Guarantee (European Court of Auditors, 2015; EESC, 2020). To address this risk, Tamesberger and Bacher (2021) proposed a formula-based financing and distribution concept that would provide additional resources to regions with higher NEET rates. This would avoid the substitution effect (countries financing their existing programmes with EU funds, without making additional efforts) and promote solidarity (as countries with high NEET rates would have lower co-funding rates). According to several interviewees, an optimal use of funds with a focus on marginal regions would help to avoid the risk of the RYG perpetuating regional divides, with economic and political implications for Europe.

Implementation of the reinforced Youth Guarantee – National examples

This section illustrates the diversity of approaches being taken to the implementation of the RYG at national level in mid-2023. Information was gathered from the interviews and the review of the literature, with all the limitations involved when trying to analyse processes with partial information and while they continue to change. Thus, the examples presented below are provided as examples of work in progress.

Estonia

The RYG in Estonia started with a co-creation process involving multiple stakeholders, which enabled municipalities to propose their own four-year intervention models. Implementation moved from an...
approach focused on economic aspects and rapid placement of young people in employment towards addressing the social barriers (including precarious family situations) that had been found to result in dropout during the implementation of the Youth Guarantee.

Estonia has very good technical means through which municipalities (and various frontline professionals) can obtain information on young people, including their status in relation to work, education and social care. A national dashboard offers, in addition to individual information, aggregated data allowing municipalities to model possible interventions. For instance, municipalities have created 20 models for preventing school dropout, from VET courses to interventions addressing young mothers. The performance of all municipalities according to numerous criteria is being measured in ways that enable comparisons and tracking of progress.

Outreach is based on creative and participatory approaches, including through local organisations and mobile services. Interventions are highly personalised, with a strong focus on sustainable offers and prevention of school dropout. Recently, mandatory education was extended to the age of 18. Overall, the support system reaches at least 8,000 young people each year (Paabor, 2022). Practitioners admitted that as many as 30% of young people need one to two years of preparatory work before they take up an offer of employment or training and an ‘open door’ to return to services for support after employment. Case managers provide follow-up support for up to six months after a young person has returned to education and/or work. An impact study of the implementation of the RYG in Estonia was planned for 2023, but the findings had not been published at the time of writing.

Finland

Finland has a strong history of implementing youth guarantee schemes, dating back to 1996. Its 50 low-threshold multi-agency Ohjaamo centres integrate a range of services under the same roof. In addition to offering employment support and youth work, they increasingly respond to national policy priorities related to young people’s well-being. The approach is integrated, youth-centred and multidimensional, without strict dividing lines between services. The aim is to guarantee young people an offer of employment, training, education or rehabilitation.

In 2020, several government decisions were made with regard to the implementation of the RYG in Finland.

- €45 million was allocated to provide labour market training and services for young people.
- The ONNI project (‘flexible transitions through guidance’) was initiated and digital services offering psychosocial support for young people began operating in Ohjaamo centres (€5 million). The Ohjaamo services were made permanent in 2023.
- The services provided by Ohjaamo centres will continue to be strengthened during 2021–2026 using a €6.5 million allocation through the Recovery and Resilience Facility. Discretionary government grants will be used to increase expert resources in healthcare, social welfare and education.
- A temporary amendment (2022–2024) was made to the Government Decree on Vocational Education and Training, increasing the compensation paid to an employer for training a young person under 20 without an upper secondary qualification.
- A centre of expertise for developing the competence of workshop coaches was established, supporting regional coordination of workshop activities (€16 million per year).

Ireland

In 2021, Ireland launched its new national employment services strategy, which will be used to implement the RYG (Government of Ireland, 2021). Its target of reducing youth unemployment to below the 2019 average has already been met. Nevertheless, significant efforts are being made to mainstream support for young people across several policies and measures (for example, by reserving places for young people on key programmes). For instance, Ireland has the ambition of raising the annual number of new apprenticeship registrations to at least 10,000 by 2025 and of providing 50,000 additional further education and training places (Government of Ireland, 2021). A major success has been the reform of the national PES (Intreo), which now operates as an integrated one-stop shop for all income and employment support services. Several additional measures to support young jobseekers have been introduced:

- a new model of intensive engagement with employment services (every two weeks) for young jobseekers most at risk of becoming long-term unemployed
- a national programme of early engagement with young people in receipt of a disability payment

12 To view the relevant statistics, see https://minuomavalitsus.ee/en/local-government-units
recruitment events dedicated specifically to young jobseekers
 eligibility for a financial incentive for employers who recruit jobseekers under the age of 30
 a new Employment and Youth Activation Charter

The Work Placement Experience Programme, launched in July 2021, integrates young people into the workplace alongside those in other age groups, with a target of at least 40% of participants under the age of 30. In 2021, the target was exceeded, with the rate reaching 45%.

Lithuania

Lithuania has had an RYG action plan in place since 2021. The country had already extended the Youth Guarantee to those aged under 30 before it was reinforced. Mapping and reaching young people who are NEET is difficult, as databases are not easily accessible and often only partial information is available. The process of harmonising information from various social services is still just beginning. A large share of young people who are NEET live in rural areas, facing major transport limitations. By mid-2023, the number of available measures for getting young people into employment or training had decreased, partly owing to the difficulty of engaging companies in working with disengaged groups. Short courses offering qualifications are very popular among young people, while long-term VET is less attractive to them. The PES embarked on a process of reform in 2016, moving from merely offering registration as unemployed and carrying out various bureaucratic tasks to providing more meaningful services to a range of groups. However, the highly centralised administrative structure makes the pace of change slow.

Conclusions and policy implications

A preliminary analysis of the state of the RYG in mid-2023 presents a mixed picture. As the economy started to recover and the NEET rate began to decrease, the social pressure on active labour market policies was perceived as low. Yet interviewees emphasised the relevance of the RYG as a strong political signal stressing youth-related priorities in the aftermath of the COVID-19 pandemic. Member States are at very different levels of engaging with the 2020 Council Recommendation. Nordic states, such as Finland and Sweden, have long had policies in place to promote youth employment, in line with the RYG. Estonia is rapidly moving towards a progressive approach that is likely to be exemplary. Several southern European countries with historically high NEET rates and strong regional disparities (such as Portugal and Spain) have started to implement the RYG, but there are concerns about its capacity to deliver in the most deprived regions. Several countries that, due to high NEET rates, would be likely to benefit from RYG measures, have a low absorption rate of structural funds and a lack of institutional capacity.

The desk research and the interviews highlighted the value of the RYG as a youth-dedicated initiative. While the review did not focus on the Resilience and Recovery Facility and its implementation at Member State level, the RYG is a particularly important policy tool given that unemployed young people are somewhat underrepresented in the Recovery and Resilience Facility priorities and in many national recovery and resilience plans, which often focus on general employment measures and less on measures targeted specifically on youth. Preliminary assessments show that youth-oriented active labour market policies under the facility have a disproportionate emphasis on formal education over labour market integration. For instance, it has been observed that, although many countries plan to invest more than 75% of funds under Pillar 6 of the facility on educational active labour market policies, only 10 countries plan (marginal) investments in employment policy measures targeting young people (Simões, 2022).

Another shortcoming of EU youth employment policies is that the gender dimension of the NEET rate often goes unnoticed. Despite the public perception of NEET young people as unemployed, disengaged young men, the reality in some countries is that young (often adolescent) mothers make up the largest share of those who are NEET. Even before the COVID-19 pandemic, caring responsibilities were five times more likely to be a reason for inactivity for young women than for young men; the gender gap worsened after 2020 (Council of the European Union, 2020; European Parliament, 2022). In 2021, nearly a quarter of all NEET young people had family or caring responsibilities, a large majority being women, according to the EU-LFS. Yet, despite strong gender disparities in the NEET rate in several countries (especially Romania, but also Bulgaria, Cyprus, Czechia, Hungary, and Poland), measures targeting young mothers, and young women more generally, still tend to be scarce.

There is emerging awareness that unless youth unemployment is addressed from a territorial/regional perspective, employment policies risk feeding social and political divides in Europe (Pastore, 2015; Monti, 2022; Simões, 2022). To counteract this effect, several interviewees were in favour of more regional or even local decision-making structures in the implementation of the RYG.

The problems facing young people who are NEET are not only economic but also social (having a caregiving role, unintended pregnancy, mental health issues, addictions, homelessness, poor health). For young people in situations such as these, a work-first approach often will not be appropriate. Yet the RYG is frequently...

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seen as an economic policy, despite the strong social dimension underlying young people’s relations with the world of work. In fact, cooperation with the social sector is repeatedly emphasised in the Council’s RYG recommendation. The success of the RYG will be highly dependent on a variety of measures and policies, some of which are only remotely connected to employment, including policies on family, housing and childcare; measures fighting gender and intersectional discrimination; the availability of sexual education in schools; and measures focusing on mental health. Employability indicators have gained prominence (and are relatively easy to measure). However, people involved in the implementation of the RYG highlight the value of young people’s well-being and seek to articulate the need for more comprehensive social support. In Finland, for instance, the RYG is being implemented in ways that integrate rehabilitation, employment, education and training. By taking such an approach, synergies with the European Commission’s 2023 mental health strategy could be achieved.

Making sure young people now in school will not slip through the net of early intervention will be key. Particularly when the gender pay gap over the life course is factored in, early intervention is vital to help young people avoid a precarious start and ensure fairness. During interviews, a consensus emerged in favour of education reforms to reduce school dropout, as well as earlier career guidance and more attractive VET programmes provided in ways that reduce gender segregation across occupations and sectors. A renewed emphasis on education and training of good quality and less focus on subsidised employment were proposed by several interviewees (see also SMEunited, 2020; European Network of Public Employment Services, 2023).

During the implementation of the original Youth Guarantee, young people were matched with the services already available. Now, questions have started to emerge such as ‘Are these the right services, the ones that young people need or want?’ A stronger participatory approach is needed, especially given the ambition of reaching young people who have previously been disengaged, including young people in rural areas (Braziene, 2021; COST, 2022).

While PES have a crucial role to play in the implementation of the RYG, their levels of preparedness for the new aspects of this are still varied and often low (Konle-Seidl, 2020). The Youth Guarantee has already boosted the reform of PES and enhanced measures for NEET young people in countries where such processes would not have been possible without strong EU support. Interviews suggested that the RYG can work if PES have the required administrative capacity and are properly resourced (financially and in terms of staff). This entails ensuring that there is an adequate number of staff members to serve the number of clients, as well as qualified personnel able to engage competently with diverse groups. While outsourcing some services is often an option, PES need to manage a complex balance between proper monitoring of quality standards and results-oriented funding of service provision while allowing for sufficient variability in methods (Csillag, 2021).

The RYG is bringing youth work closer to employability interventions, through participatory approaches involving mobile teams, street workers and youth mediators. This sends a powerful message on the recognition of youth work. However, there are also trade-offs for the youth work sector itself (including the risk of mission drift) when the conventional focus on civic actions and watchdog activities is supplemented with employability actions. In other words, youth work should not be used as a substitute for service provision in domains (such as employability and mental health) that are not its core areas.

Ultimately, the quality of the offers made to young people under the RYG is highly dependent on regional labour market dynamics. As work becomes increasingly precarious, the RYG alone cannot alter the overall working conditions that young people face. It may help young people to adapt, fit into or even come to understand a labour market that remains – overall – increasingly precarious and unfair to the young generation (consider, for example, the decreases in income relative to the costs of living and housing, escalating job insecurity and the concentration of wealth among older generations). Often, the counselling approaches offered have a motivational ethos, while the labour market is such that a growing number of jobs are unattractive, badly paid and unable to offer young people the means of a decent living, including decent housing. Greater efforts to connect policies on social rights, regional development, housing, youth, education and welfare might help address these trends.

Against the background described above, it is important for policymakers to maintain the narrative of the importance of decent work amid the shift towards precarious labour. This could move the focus from access to work to access to work under good conditions. Ultimately, this could bring the idea of social justice and meaningful work closer to the centre. Young people need not only employment protection but also work able to confer a professional identity, a sense of civic connection, social stability and a sense of meaning. This is where precarious labour falls short.
Employment, cost of living and housing

While young people experienced significant difficulties during the years of the COVID-19 pandemic, from job losses to mental health struggles and the need to reformulate their plans and hopes in a context of economic and social instability, as of early 2024 there are many apparent reasons to be optimistic. Youth employment levels are higher than they have been since 2007. NEET rates, which came to the fore in research on young people in the years following the Great Recession, have fallen to below the levels they were at before it. Furthermore, the proportion of discouraged workers among people who are NEET is at its lowest recorded level (with the caveat that the methodology for measuring this changed in 2021, which proved to be a crucial year, and the latest statistics are not entirely comparable to the previous ones). Involuntary temporary contracts also seem to be on the decline, at least at EU level overall, while job insecurity as perceived by young people, which was severe during the first year of the pandemic, has also receded.

An increase in employment does not necessarily bring with it an increase in general job quality, but here too there have been several positive developments. Work outside working hours, which was prevalent among young people during the pandemic, has become less common. However, based on data from 2020, this report found that young people are less satisfied with their jobs than older cohorts, and, given the strong relationship found between job satisfaction and autonomy, this may indicate that young people would like more control over their working hours and work organisation. This could also be among the reasons why some young people turn to platform work, although more research and data are needed to analyse the determinants of its growth and discuss its role in the labour market as a sustainable and transparent form of entrepreneurship, considering both negative and positive effects.

Companies might consider making additional efforts to keep their young workers, as nearly half are considering changing jobs within a year. More secure contracts, the opportunity to work from home sometimes and, as mentioned above, more autonomy over their working time and how their work is done might encourage young people to stay longer in the same organisation.

While the proportion of young people completing tertiary education is increasing, and even more would like to continue their studies, many young graduates face insecurity during the transition from education to work, which was particularly an issue during the pandemic, delaying their plans as opposed to their wishes. Traineeships are common, as measured by the Living and working in the EU e-survey, but notable inequalities are found among participants: while young women are more satisfied with traineeships, they are less likely to be compensated and less likely to be offered a job. All in all, most young people are currently looking for opportunities for training or further education, some of which could be supported by employers.

While most recent developments when it comes to young people’s employment are positive, recent increases in the cost of living mean further delays in their plans for many. Young people living with their parents are more likely to have difficulties making ends meet and to be unable to afford unexpected expenses, suggesting that those from less well-off homes are less likely to be able to move out, which in turn may put additional financial strain on the intergenerational household. This points to the multifaceted ways in which the consequences of the cost-of-living crisis are being unequally borne. The pandemic has interfered with many young people’s plans related to housing, with many delaying plans to move out of the parental home. Among young people already in employment and aged 25–34, over half still live at home in several southern and eastern Member States. Nearly half of young people living with their parents would like to move out within a year, but only 28% actively plan to do so. The mismatch between young people’s wishes and plans is particularly large when it comes to buying their own home; many young people are stuck renting when they would like to buy.

Well-being – Unfulfilled plans and other factors

Young people enjoy several advantages compared with older groups. They generally tend to have a higher level of life satisfaction and a higher level of trust in others than older groups, after controlling for various factors. They also tend to be in better physical health, although self-perceived good health has been trending downwards in young people since early in the pandemic, which has also been the case among older cohorts. Young women report worse health than young men, while difficulty making ends meet, being unemployed and having a low level of education also seem to contribute to a worse perception of one’s health.
Mismatches between young people’s wishes and plans are important because of their impact on youth mental health. Unlike those on young people’s physical health, findings regarding youth mental health were alarming during the pandemic, as high levels of negative affect and risk of depression were measured. It now seems that (early) 2021 was the worst year for young people from many perspectives, including youth mental health overall; the second and third waves of the pandemic and the accompanying lockdowns may have extended the seemingly endless delays to future plans. While by 2023 the same survey measured improved mental health, the recovery seems to have been stronger among those over 30. Negative feelings, such as feeling tense or feeling lonely, are still more common among 16- to 29-year-olds than older cohorts, with the former more common among young women and the latter among young men. Having a mismatch between plans and wishes for the future seems to contribute to lower levels of mental health, as young people with a mismatch have a higher risk of depression, particularly when it comes to being unable to get a job or change jobs. Financial strain seems to be one of the drivers of such mismatches, especially when it comes to moving out, buying a house or changing jobs.

Not being able to fulfil one’s plans seems to contribute to self-perceived social exclusion, which was at its highest in 2021. A significant gender gap, with more young women than young men feeling excluded from society, measured in that year seems to have disappeared by 2023. Being unable to move out of the parental home despite wishing to do so and being unable to change jobs, attend university or buy a home all seem to be associated with higher levels of self-perceived social exclusion.

**Long-term plans – Family or moving abroad?**

The report also examined young people’s plans for what happens after they move out of the parental home. Living alone is not affordable to all, and for many it is not preferable. While marriage rates are on the decline, many young people would like to form a new family: over half of under-35s would like to move in with a partner within three years, while about a third would like to get married and a similar proportion would like to have children. Higher income is associated with a higher likelihood of planning to have children soon, although – somewhat surprisingly – so is living with one’s parents. Not everyone is able to fulfil their wishes to have children: young people who identify as LGBTQ+ and those at risk of depression are most likely to have unfulfilled wishes to have children.

When their wishes cannot be fulfilled in their home country, for some young people their plans lead them abroad. Across the EU, 40% of young people would like to move to a different country if they could, and nearly a quarter have concrete plans to do so within three years. Living with one’s parents and renting a home are both associated with a higher likelihood of planning to move abroad, but doing so is not affordable for some young people, and not necessary for others: those with medium incomes are most likely to plan such a move. This suggests that this pathway to new opportunities is not available to those on low incomes.

**The reinforced Youth Guarantee**

While young Europeans are recovering from recent crises and trying to put their plans back into motion, the reinforced Youth Guarantee has been trying to help them along the way since 2020. However, so far little information is available on its progress. Pressures on active labour market policies are lower with the employment rate among youth as high as it is, resulting in an overall sense of delay. However, several countries (such as Estonia, Finland and Sweden) have moved implementation along in line with the requirements of the reinforced Youth Guarantee. Meanwhile, in many southern European countries there are still pressures on active labour market policies arising from high NEET rates and regional disparities, and there are concerns in these countries about the reinforced Youth Guarantee’s capacity to deliver in the most deprived regions. Many authors and interviewees argue that a territorial/regional perspective on addressing youth unemployment, with regional or even local decision-making structures involved in the implementation of the reinforced Youth Guarantee, would be more effective.

Continued support for the implementation of the reinforced Youth Guarantee is very important, as the interviews highlighted that unemployed young people are underrepresented in other policy measures, including the Recovery and Resilience Facility and the national recovery and resilience plans, which have a disproportionate emphasis on formal education over labour market integration.

Research has also highlighted that an increased emphasis may be needed on the gender dimension of the NEET rate: in many countries, the reality now is that young mothers are most likely to be NEET, as opposed to unemployed young men, with family responsibilities now the biggest reason behind being NEET. Social factors, such as care responsibilities, now most often lead to young people becoming NEET. The reinforced Youth Guarantee is often seen as an economic policy,
perhaps partly because measuring employment indicators is easier than measuring social outcomes. However, the success of the reinforced Youth Guarantee will be highly dependent on policies in other areas, such as family, housing, childcare, fighting gender and intersectional discrimination, the availability of sexual education in schools, and mental health, including synergies with the European Commission’s 2023 mental health strategy.

During the implementation of the original Youth Guarantee, young people were matched with the services already available. Now, it is important to review whether these services are properly aligned with young people’s needs and wants, taking a stronger participatory approach that seeks to include previously disengaged young people and young people in rural areas.

Amidst a shift towards precarious labour, and in a labour market that remains unfair to the young generation when the costs of living and housing are considered, the narrative of the importance of decent work must be maintained. While jobs are available, many are unattractive, badly paid and unable to offer young people the means of a decent living, including decent housing. Moving the focus from access to work to access to good-quality jobs can bring ideas about social justice and meaningful work closer to the centre; young people need not only employment protection but also work able to confer a professional identity, a sense of civic connection, social stability and a sense of meaning. This is where precarious labour falls short.

Policy pointers
- Continued support for the implementation of the reinforced Youth Guarantee is crucial, especially given evidence that youth-related policies have disproportionately emphasised formal education over labour market integration.
- Increased emphasis may be needed on the gender dimension of the NEET rate, as in several countries young mothers are now the group most likely to be NEET.
- Previous efforts to implement the Youth Guarantee aimed to expand the capabilities of each country to reach out to young people and improve the framework for matching them with the appropriate service, while setting up new services where necessary. Current efforts also seek to monitor the alignment of services with young people’s needs, with a stronger participatory approach. National and regional strategies should focus on disengaged and vulnerable young people, especially in contexts of lower urbanisation and neighbourhood deprivation, and on providing the required resources and information to institutions and their partners. The report provides examples of good practices from countries including Belgium, Bulgaria, Finland and Spain.
- Decent work must be a focus of youth employment policy. The labour market remains precarious and unfair to the young generation, given the cost of living and housing costs. While jobs are available, many are unattractive, badly paid and unable to offer young people a decent living.
- While the reinforced Youth Guarantee is seen as primarily an economic/employment policy, its success is closely related to the policy areas of family, housing and childcare, to measures fighting gender and intersectional discrimination, and to synergies with the European Commission’s 2023 mental health strategy.
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During the pandemic, many young people had to change their plans for the future. While at the end of 2023 young people’s labour market situation was more favourable than it had been in recent years, many obstacles remained on their route to independence, such as the rising cost of living and inability to move out of the parental home. This report explores young people’s wishes and plans for the future – and the well-being outcomes related to these plans – in the context of the current labour market and housing situation and progress on the implementation of the EU’s reinforced Youth Guarantee.

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.