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## YOUTH EMPLOYMENT INITIATIVE FUNDING INCREASE

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### EuroHealthNet feedback on Youth Employment Initiative - funding increase

*EuroHealthNet's contribution focuses on the impact of youth unemployment and exclusion on health outcomes. It highlights the need to address significant societal and economic costs for EU governments through prioritizing long-term life-course investments, such as the EU Youth Employment Initiative. Health inequalities in youth erode the professional development of young generations and their ability to contribute to society, undermine economic growth and prosperity, and increase health, social care and wider public expenditures.*

With regard to the focus group of the Youth Employment Initiative (YEI), namely **young people who are not in education, employment or training (NEETs)**, including the long-term unemployed or those not registered as job-seekers, recent data from the 2019 Joint Employment Report show positive progress across the EU<sup>1</sup>. However, very high rates of NEETs and considerable regional differences persist. Inactivity rates are particularly high in Bulgaria, Romania and Italy, while unemployment is predominant in Spain, Croatia and Greece. Having only low-level education has been identified as the main risk factor for being NEET<sup>2</sup>.

The **European Pillar of Social Rights** highlights and strengthens the importance of **youth inclusion**, along with health, well-being, equity and sustainability, through a holistic approach towards the issue<sup>3</sup>.

The exclusion of the young people from the labour market and the subsequent social exclusion is a concern<sup>4</sup>, especially considering its **major economic impact**. It has been calculated that each young NEET costs 14,000€ per year in missed contributions and benefits payments<sup>5</sup>. This is likely to worsen when considering the increase of Europe's ageing population. Moreover, even when NEETs do find jobs, these are more likely to be precarious and low-quality<sup>6</sup>. Therefore, NEETs are unable to fully contribute to society, hindering the 'social fabric' and long-term economic growth<sup>7</sup>.

Youth unemployment and inactivity are not only an issue of public expenditure, but also of public health. All **NEETs are at risk of marginalisation, exclusion and lower physical and psychological well-being**. Unemployed people suffer from more from anxiety, depression, and psychosomatic symptoms,

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<sup>1</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1547650919951&uri=CELEX%3A52018DC0761>

<sup>2</sup> [https://ec.europa.eu/eurostat/statistics-explained/index.php/Statistics\\_on\\_young\\_people\\_neither\\_in\\_employment\\_nor\\_in\\_education\\_or\\_training#Young\\_people\\_neither\\_in\\_employment\\_nor\\_in\\_education\\_or\\_training](https://ec.europa.eu/eurostat/statistics-explained/index.php/Statistics_on_young_people_neither_in_employment_nor_in_education_or_training#Young_people_neither_in_employment_nor_in_education_or_training)

<sup>3</sup> [https://eurohealthnet.eu/sites/eurohealthnet.eu/files/publications/PP\\_Health\\_and\\_Youth\\_Exclusion\\_06\\_LR.pdf](https://eurohealthnet.eu/sites/eurohealthnet.eu/files/publications/PP_Health_and_Youth_Exclusion_06_LR.pdf)

<sup>4</sup> Joint Report of the Council and the Commission (2015) on the implementation of the renewed framework for European cooperation in the youth field (2010-18), available at: [http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52015XG1215\(01\)#ntc12-C\\_2015417EN.01001701-E0012](http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52015XG1215(01)#ntc12-C_2015417EN.01001701-E0012) based on NEETs', Eurofound, 2012 and OECD, 2015.

<sup>5</sup> Eurofound (2011) Eurofound News July 2011: €100 billion - the cost of youth exclusion, available at: <https://www.eurofound.europa.eu/news/news-articles/other/eurofound-news-july-2011-0>

<sup>6</sup> Flash Eurobarometer survey 408 (2014) European Youth, available at: [http://ec.europa.eu/public\\_opinion/flash/fl\\_408\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_408_en.pdf)

<sup>7</sup> OECD (2015) In it together: why less inequality benefits all, available at: [http://www.keepeek.com/Digital-Asset-Management/oecd/employment/in-it-together-why-less-inequality-benefits-all\\_9789264235120-en#.WOI9\\_mGOM8](http://www.keepeek.com/Digital-Asset-Management/oecd/employment/in-it-together-why-less-inequality-benefits-all_9789264235120-en#.WOI9_mGOM8)

lower self-esteem, and poorer life satisfaction<sup>8</sup>; moreover, they make significantly more visits to their physicians, take more medications, and spend more days in bed sick compared to those who are employed<sup>9</sup>. The link between unemployment and poorer health is worsened by macroeconomic crises and weakened by inappropriate or insufficient governmental action and social interventions, as evidenced by the work of the WHO Commission on Social Determinants of Health<sup>10,11</sup>.

Studies have shown that the relationship between being NEET (particularly for prolonged periods) and health is associated with negative effects on health especially on the longer term. Young NEETs are more likely to embrace bad lifestyles, with higher chances to have poor health later in life. This also have a dramatic impact on public health expenditures. Inequalities in the prevalence of being NEET are also considerably high, with higher chance of becoming NEET in relatively disadvantaged, from poor backgrounds, or lower education<sup>12</sup>.

**The additional amount of money allocated to YEI is a valuable opportunity to give tailored support to young NEETs from across Europe. EuroHealthNet welcomes the increase of funding as it would not only support the overall inclusion of young people in the labour market but also support the sustainability of healthcare systems and reduction of inequalities.**

When designing and implementing programmes, applying a holistic integrated approach is key. Youth policies should be planned in collaboration with and be complementary to fields such as employment, education, training, health, culture, digital media, sustainable development, citizenship, and physical activities. In doing so, it is important to comprehend the diversities of young NEETs. General youth employment data is insufficient; it should be disaggregated and integrated to include health and social indicators. The EU Labour Force Survey offers restricted number of socio-demographic variables when it calculates the NEET indicator, but improving the data sample at European and national levels could create the missing link in understanding young NEET behaviours and vulnerabilities. This would help in designing more effective policy interventions.<sup>13</sup>

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<sup>8</sup> Beling, A. (2011) Unemployment, Mental Health and Well-being in Youth (University of Maastricht)

<sup>9</sup> Linn, M. W., Sandifer, R., & Stein, S. (1985). Effects of unemployment on mental and physical health. *American Journal of Public Health*, 75(5), 502-506.

<sup>10</sup> [https://www.who.int/social\\_determinants/en/](https://www.who.int/social_determinants/en/)

<sup>11</sup> <http://www.euro.who.int/en/health-topics/health-determinants/social-determinants>

<sup>12</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/356062/Review3\\_NEETs\\_health\\_inequalities.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/356062/Review3_NEETs_health_inequalities.pdf)

<sup>13</sup> [https://eurohealthnet.eu/sites/eurohealthnet.eu/files/publications/PP\\_Health\\_and\\_Youth\\_Exclusion\\_06\\_LR.pdf](https://eurohealthnet.eu/sites/eurohealthnet.eu/files/publications/PP_Health_and_Youth_Exclusion_06_LR.pdf)