



# EUROCITIES statement on youth employment

October 2015



## Making youth employment a priority

Since the 2008 financial crisis, the number of young people without a job has grown considerably in Europe. For the first quarter of 2015, youth unemployment rates in the EU ranged from 7.2% in Germany to 49.6% in Spain.

An increasing number of young people in cities are not in employment, education and training (NEETs). They find themselves disproportionately affected by an uncertain employment situation and in low paid jobs. As a result, more and more young people are living in poverty and at risk of social exclusion, and the impacts are concentrated in cities, even in regions or countries with relatively low unemployment rates.

The vast differences in opportunities for young people around Europe uncover significant inequalities, undermining European territorial and social cohesion and highlighting the urban nature of youth unemployment. To avoid losing a whole generation and to reverse these trends, our members have made youth employment a priority through the EUROCITIES declaration on work.

Dealing with youth unemployment requires an integrated approach, connecting different policies; finding the right combination of supply and demand-side measures; and brokering effective partnerships between public, private and non-governmental actors. This is essential to be able to match opportunities with the needs of the local labour market, and to provide tailored support to those who need it.

The level of city involvement in designing and implementing youth employment policies varies. While some are directly responsible at local level, others are simply charged with implementing national programmes or European initiatives, such as the Youth Guarantee.

## What are cities already doing?

City authorities design and implement policies and programmes for young people that are in line with local needs and that make a significant contribution to reducing youth unemployment.

- City authorities use an integrated approach to address the complex challenge of youth unemployment. They are able to put in place services that allow young people to get all the support they need in one place. For example, Rotterdam and Oulu
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have set up one-stop-shops dedicated to youth inclusion, which bring together different city departments and provide more effective and youth-friendly services on issues such as employment, training, housing and healthcare.

- City authorities create and lead dynamic and effective partnerships at local level to address youth unemployment. These can bring together businesses, employers, education providers, families and other stakeholders to maximise the opportunities available to young people. For example, Edinburgh created the ‘Edinburgh Guarantee’, which aims to ensure that every young person in the city has a choice of a job, training or further education opportunity after they leave school. The ‘Edinburgh Guarantee’ is a strategic partnership between the city authorities, businesses, employers, education centres, academia and parents.
- City authorities implement demand-side measures designed to create jobs. This can be done in a number of ways:
  - By using social clauses in public procurement procedures to promote traineeships or job opportunities for young people. For example, Amsterdam uses public procurement to create green job placements for young people at risk of exclusion. Nantes also uses social clauses in its public procurement contracts to create job opportunities for young people from deprived urban areas.
  - By supporting and encouraging businesses to implement a youth-friendly CSR policy. By offering apprenticeships, internship opportunities and work experience placements, they can assist young people in making the transition from education to employment. For example, Tilburg has a programme which helps school leavers find a traineeship to match their level of education and their interests, and provides financial support to the host company.
  - By supporting social economy initiatives through direct grants or social clauses in public procurement, and promoting social inclusion and sheltered employment for vulnerable young people. For example, a non-profit social enterprise in Newcastle gives jobs to young ex offenders. Gothenburg meanwhile supports pathways to employment for young people with disabilities through a strong cooperation between the city, the third sector and the national employment services.
  - By encouraging young people to set up their own businesses and offering grants for young entrepreneurs. For example, Bologna and Porto support creative enterprises run by young people.
- City authorities play a crucial role in implementing the Youth Guarantee at local level. They can do this by promoting cooperation between local stakeholders or by launching new tailored measures. These could range from outreach, awareness raising and information campaigns for young people to coordinating and integrating different services and initiatives at city level. City authorities use innovative practices to prevent unemployment and reduce the risk of school dropout, including through individual and comprehensive support such as coaching and job placements.

- City authorities are key players in customising education and vocational training to the needs of young people to improve their employability and positioning in the labour market. This is done by developing tailored education and training pathways and by providing support to young people before and during the training period.

## Recommendations

- Cities need adequate resources and technical support from the European and national level. This is required to address the specific urban nature of youth unemployment and to be able to implement far reaching and long term change for and with young people. In the context of budget cuts and low levels of investment, some cities are struggling to provide frontline services to address youth unemployment and social exclusion.
- European Social Fund (ESF) resources for training, skills development and the social inclusion of young people must better target cities' needs and should be used to capitalise on cities' potential to address youth unemployment. ESF managing authorities should involve cities in shaping the priorities of operational programmes and in the subsequent strategic management of the funds.
- The innovative potential of the Youth Guarantee (YG) must be fully explored. At present many of those measures designed at national and regional level and implemented at local level under the Youth Guarantee are not so innovative. Involving cities in the design of these policies would maximise the local potential, and bring new ideas to the table to help move away from the 'business as usual' mentality. A more innovative approach is also needed to reach out to NEETs and young people who are not registered as unemployed.
- Youth Employment Initiative funds should be made directly available to major cities for use in deprived neighbourhoods where rates of youth unemployment are significantly higher than regional and national averages. Some cities are responsible for the Youth Guarantee but lack the resources to implement it and do not have direct access to the funds.
- The European institutions and member states must work in partnership with cities to define, implement and evaluate youth employment policies and programmes. Currently, in many places, the level of cooperation between cities and other government levels on youth unemployment policies, and particularly the Youth Guarantee, is rather low. Cities cannot do it alone; a genuine partnership with national government is necessary to achieve better policy results. In Denmark, for example, the national government has implemented changes to vocational education and training (VET) for young people as suggested by major Danish cities.
- National employment strategies should be flexible enough to allow cities to shape them according to local labour market needs, specificities and potential. To make measures more effective, they should be adapted to the local labour market and to the characteristics of the communities and groups they are addressing (e.g. young migrants, disabled young people). Close cooperation between cities and the national public employment services is important for developing tailored strategies and integrated services.

- Stronger cooperation is needed at local level between businesses, formal education agencies and VET providers. Businesses can commit to providing young people with quality traineeships, work placements and job offers. They should also collaborate with local authorities on skills forecasting and profiling to address local skills mismatches. More widespread use of social clauses in public procurement processes and youth-friendly CSR policies can boost youth employment and promote social inclusion. Formal education and VET providers should work closely with cities and businesses to develop effective support mechanisms for young people and to establish VET pathways that ensure a smooth transition from education to employment.

## Conclusions

Dealing with youth unemployment is a priority for our cities, as it is for all levels of government. We remain committed to continuing our work in this field and are convinced that stronger partnerships with European and national authorities will help achieve better and faster results, as emphasised in EUROCITIES declaration on work.

City authorities play a crucial role in fostering an integrated approach to deal with youth unemployment. This means combining supply and demand-side measures, brokering effective partnerships between public, private and non-governmental actors, and implementing tailored measures that respond to the needs of young people and the local labour market.

Closer collaboration between our cities, the EU and member states will help us ensure the inclusion of young people in the labour market. It is also necessary to deliver results for our young people through an improved Youth Employment Initiative (YEI) and Youth Guarantee, better connected to the needs of labour market and to the skills required by local businesses and our growing local economies.