

**An Comhchoiste um Oideachas  
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**Joint Committee on Education  
and Social Protection**

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11 July 2013

Mr. José Manuel Barroso,  
President,  
European Commission,  
Brussels.

Dear President Barroso,

The Oireachtas Joint Committee on Education and Social Protection has completed its scrutiny of the following European Commission proposal –

*COM (2011) 729 - Proposal for a Council Recommendation on establishing a Youth Guarantee,*

has agreed the attached report for consideration as part of the political dialogue process with national parliaments. The report is also being sent to the President of the European Parliament and to the Irish Minister for Social Protection.

Yours sincerely,

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Joanna Tuffy T.D.,  
Chair  
Oireachtas Joint Committee on Education and Social Protection





**CONTRIBUTION ON THE YOUTH GUARANTEE FROM THE JOINT OIREACHTAS  
COMMITTEE ON EDUCATION AND SOCIAL PROTECTION (IRISH PARLIAMENT) IN  
THE CONTEXT OF POLITICAL DIALOGUE**

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**JULY 2013**

## Consideration of Commission Proposal

The following contribution considers COM (2012) 729 – a Proposal for a Council Recommendation on Establishing a Youth Guarantee

On 26 September 2012, Ms. Joan Burton, Minister for Social Protection addressed the Oireachtas Joint Committee on Education and Social Protection where a detailed overview of Youth Transitions Package was provided.

On 28 February 2013, the EPSCO Council reached a political agreement establishing a “youth guarantee” schemes. This recommendation reflected a strong political commitment by the Member States for action to curb youth unemployment.

On 8 May 2013, the Oireachtas Joint Committee on Education and Social Protection discussed the Commission’s proposal and at a further meeting dated 22 May 2013, it was decided to submit a political contribution to the Presidents of the European Parliament and European Commission respectively, outlining certain key elements of the Proposal on which the Committee would like to comment.

The Committee notes the report of the Oireachtas Joint Committee on European Union Affairs “Guaranteeing our future – A report on the need for a Youth Guarantee”, published on 4 July 2013.

Having carefully considered all elements of the proposal and the decision of Council referred to above, the Joint Committee would like to make the following observations:

### Youth Unemployment

The Joint Committee recognises the fact that the employment situation in Europe has deteriorated significantly over the course of the past 24 months. However, it is youth unemployment, as an aspect of the overall problem that has the potential of causing the widest social and economic damage to society. The Joint Committee therefore considers that the course of action proposed by the European Commission, whereby Member States would ensure that young people receive, within four months of having left school or becoming

unemployed, a good quality offer of employment, continued education, an apprenticeship or a traineeship an excellent proposal that has the possibility of greatly reducing youth unemployment across Europe.

In April 2013, 5.627 million young persons were unemployed in the EU 27, a 100,000 increase on the year previous.

In April 2013, the youth unemployment rate was 23.5 % in the EU-27 and 24.4 % in the euro area, compared with 22.6 % in both zones in April 2012. In April 2013 the lowest rates were observed in Germany (7.5 %), Austria (8.0 %) and the Netherlands (10.6 %), and the highest in Greece (62.5 % in February 2013), Spain (56.4 %), Portugal (42.5 %) and Italy (40.5 %).<sup>1</sup> The International Labour Organisation estimates that the youth guarantee as implemented in Sweden cost approximately €6,600 per participant.<sup>2</sup> It is further estimated that the cost to the Eurozone of implementing a youth guarantee would not exceed €21 billion.<sup>3</sup>

The Joint Committee is particularly concerned that certain aspects of the recent global crisis have been prioritised over others. In this regard, the Joint Committee is concerned that the European Union has targeted the economic, financial and banking aspects of the crisis whilst not lending the same weight to the social aspects of unemployment, poverty and social exclusion. It is high time that priority is given to addressing the many social aspects of the current global crisis and the Joint Committee welcomes these Council Recommendations.

Furthermore a recent study by Eurfound has shown that the economic loss to society of not integrating young jobseekers in the EU is estimated at €153 billion.<sup>4</sup>

The Joint Committee is convinced that the youth guarantee scheme can bring about a positive change and reverse the upward trend of youth employment across the Union. As an example, the Joint Committee would like to cite the relative success that the Youth Guarantee has enjoyed in Finland, Sweden, Germany and Austria.

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<sup>1</sup> [http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/Unemployment\\_statistics](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Unemployment_statistics)

<sup>2</sup> International Labour Organisation Studies on Growth with Equity *Eurozone Job Crisis: trends and policy responses*  
[http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms\\_184965.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_184965.pdf)

<sup>3</sup> *Ibid*

<sup>4</sup> <http://www.eurofound.europa.eu/press/releases/2012/121022.htm>

Despite the crisis, the proportion of the young unemployed involved in the programme who found a job was 46 per cent in Sweden in 2010 and over 80 per cent in Finland in 2011.<sup>5</sup>

### Funding

The Committee would like to highlight the importance of Commission Proposal (2013) 145 - a Proposal for an amendment to the Commission Proposal (2011) 607 final/2 Regulation of the European Parliament and of the Council on the European Social Fund and repealing Council Regulation (EC) 1081/2006.

This proposal, aiming to amend the existing European Social Fund Regulation, aims to provide match funding from the European Social Fund for the Youth Employment Initiative and is to be particularly welcomed. The Joint Committee would like to highlight the importance of this funding and calls on the Commission and on the Council to ensure that all Member States fund the Youth Guarantee to the maximum extent in order to draw down as much match funding as is possible.

Furthermore the Joint Committee would like to echo the recommendation of the Oireachtas Joint Committee on European Affairs calling for an increase in the total available funds for the Youth Guarantee.

### Conclusions

The Joint Committee:

1. highlights the need for expediency in the implementation of the Youth Guarantee;
2. fully supports this instrument which has the possibility of greatly improving employment opportunities for young people across the EU;
3. calls on all stakeholders, the Commission, Parliament, Council and Member States to ensure that this initiative is executed without delay;
4. calls on all stakeholders Commission, Council and Member States to ensure that the measures set out in the Council Recommendation of 22 April 2013 on establishing a Youth Guarantee are fully funded as appropriate;

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<sup>5</sup> International Labour Organisation Studies on Growth with Equity *Eurozone Job Crisis: trends and policy responses*  
[http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms\\_184965.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_184965.pdf)

5. calls on the Commission to increase total funding for Youth Guarantee schemes which have a proven record of assisting people to find employment, training or education thus reducing the economic and social burdens of unemployment;
6. calls on the Commission to ensure that funds are dispersed evenly throughout Europe to combat youth unemployment and to consider implementing a cap on the amount of funding that any one country is able to draw down;
7. considers that the Youth Guarantee should target young persons under the age of 25, as proposed by the Commission.

