The Economic and Social Review, Vol. 54, No. 4 Winter 2023, pp. 285-327

POLICY PAPER

Young People Not in Employment, Education or Training (NEET): Concepts, Consequences and Policy Approaches

Paul Redmond*
Economic and Social Research Institute, Dublin and Trinity College Dublin, Ireland

Ciara McFadden
Economic and Social Research Institute, Dublin, Ireland and Universitat Pompeu Fabra, Spain

Abstract: Young people that are not in employment, education or training (NEET) may face increased poverty risk, social exclusion, labour market scarring and adverse health consequences. Reducing the number of NEETs is a major policy priority in the European Union. The target of the European Pillar of Social Rights Action Plan is to reduce the NEET rate to 9 per cent by 2030, and this is supported by a considerable amount of EU funding. In this paper, we begin by discussing the NEET concept, paying particular attention to the heterogeneity of individuals contained within this group. We then review the international literature on the causes and consequences of NEET status. Following this, we provide an overview of the evidence on policy interventions targeting NEETs, with a particular focus on the recent literature on labour market activation in Ireland. Tailoring policies towards NEETs is difficult due to the heterogeneity within this group, and as such, we discuss specific policies that may be targeted towards different NEET subgroups. Finally, we discuss emerging labour market trends and their potential impact on NEETs. We begin by discussing the potential impact of technological change on NEETs, before moving on to more specific areas including the green economy, remote working, and the platform economy. The evidence on their impact is relatively underdeveloped and represents an important avenue for future research.

Acknowledgements: This paper is part of the Cowork4YOUTH research project. Cowork4YOUTH studies employment opportunities for youth aged 25-29 in EEA peripheral regions and is funded by Iceland, Liechtenstein and Norway through the EEA and Norway Grants Fund for Youth Employment. The authors are solely responsible for the content and the views expressed.

* Corresponding author: Paul.Redmond@esri.ie

I INTRODUCTION

NEET is an acronym that refers to young people that are "not in employment, education or training". The aim of the NEET concept is to monitor and understand the challenges faced by young people in the labour market, and thereby design effective policies to promote successful employment outcomes. Since its formal inclusion in the EU policy framework in 2010 (Eurofound, 2012; Drakaki *et al*., 2014), it has been at the forefront of the European policy agenda. Following the Great Recession, the Youth Guarantee was established with the explicit aim of reducing the number of NEETs in the EU, which stood at 12.5 million in 2013.[1] More recently, the Reinforced Youth Guarantee of 2020 has put a renewed emphasis on NEETs, as it emerged that young people were disproportionately impacted by the COVID-19 pandemic. In 2021, the NEET rate in the EU was over 13 per cent. The target of the European Pillar of Social Rights Action Plan is to reduce this to 9 per cent by 2030.

The NEET concept is a broad umbrella term that includes a diverse group of young people. There are many reasons why a person may not be in employment, education or training. Some of these reasons, such as long-term unemployment or inactivity, are of serious concern to policymakers, while others, such as highly qualified young people facing a short and transitory spell of unemployment, are of less concern. The NEET concept is therefore a broad measure of youth marginalisation and disengagement (Malo *et al*., 2021; Lawlor, 2021). Given the broad scope of the NEET term, it is important to understand the diverse nature of this group, as differences in labour market risks, requirements and supports mean that a "one-size-fits-all" policy approach is not suitable (Ripamonti and Barberis, 2021).

In this paper, we review the literature and policy approaches relating to NEETs. While NEETs have been a major area of study for over a decade, our paper is timely due to the recent labour market disruption experienced by young people since the onset of the COVID-19 pandemic in 2020. We make several contributions. First, in Section II we discuss the NEET concept, including its definition and how this has changed over time. We emphasise the heterogeneity of individuals that are contained within the NEET category. Using descriptive evidence for the EU, we also show the substantial degree of cross-country variation in NEET rates, highlighting countries that have experienced the greatest challenges in this regard. We also discuss similar terms and concepts that are used in regions and countries outside the EU. In Section III we review the literature on the causes and consequences of NEET status. Drawing on the international evidence, we show that the adverse consequences of NEET status are wide ranging, including poverty risk,

[1] For consistency with later statistics, this figure for 2013 relates to the EU27, and therefore does not include the UK.

labour market scarring, welfare dependency, social isolation and adverse health effects. In Section IV, we turn our attention to policies targeting NEETs. Again, taking account of the heterogeneity of this group, we review the literature on the effectiveness of different policies for targeting different subgroups of NEETs. Finally, in Section V we examine four emerging labour market trends that are likely to impact NEETs into the future. The first relates to the impact of technological change on the labour market. The second is the growing importance of the green economy. The third relates to the significant increase in remote working across the world, and the associated policy focus on co-working spaces. The fourth relates to the importance of the platform economy as an emerging sector. Apart from some exceptions, relatively few studies examine the impact of these developments on NEETs. However, the literature that does exist suggests these trends will have important implications for NEETs in the coming years and, as such, are important avenues for future research.

II THE 'NEET' CONCEPT

NEET is a relatively new concept that was first introduced in UK policy documents in the late 1990s, before being formally incorporated into the EU policy framework in 2010 (Eurofound, 2012; Drakaki *et al*., 2014). At that time, the European Commission Employment Committee (EMCO) agreed on a common definition and methodology so that the NEET concept could be used to monitor youth disadvantage in Europe (Mascherini, 2018). When referring to NEETs, the age criteria used to define "youths" can vary. Age ranges that have been commonly applied to NEETs include 15-24 years or 20-24 years. More recently, and in line with the 2020 Reinforced Youth Guarantee, the analysis of NEETs in the EU focuses on those aged 15-29 years. While the NEET term originated in the EU, young people that are disconnected from education and employment is a challenge faced by many countries across the world. In the US, they are referred to as "disconnected youth", in Latin America as "NiNis", and in Japan as "freeters" (Kevelson *et al*., 2020). Therefore, while the focus in this paper is primarily on NEETs in the EU, we also include relevant international evidence from other jurisdictions.

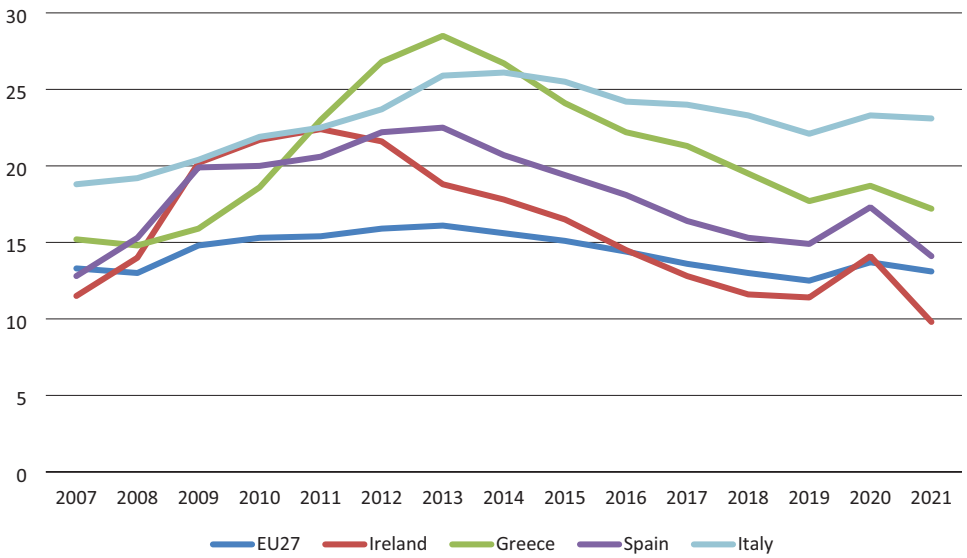
The NEET rate for the EU is calculated using EU Labour Force (EU-LFS) data as follows,

$$NEET = \frac{Number\ of\ young\ people\ not\ in\ employment,\ education\ or\ training}{Total\ population\ of\ young\ people}$$

NEET, therefore, captures the share of the total youth population that are not in employment, education or training. In Figure 1, we show NEET rates in the EU from 2007 (pre-Great Recession) to 2021. For the EU27, we see that NEET rates

increased from 13.2 per cent in 2007 to just over 16 per cent in 2013.[2] However, this masks significant differences across Member States, and a large body of research highlights the particularly severe impacts on young people across some of the peripheral EU countries.[3] In particular, we highlight Ireland, Greece, Spain and Italy, all of which experienced a NEET rate in excess of 20 per cent in 2011.[4] The highest recorded NEET rate from any country during this 15-year period occurred in Greece in 2013, with a NEET rate just under 30 per cent. Figure 1 also shows the trajectories of the NEET rates during the economic recovery following the Great Recession. Different patterns emerge for different countries. Ireland experienced a dramatic improvement in the NEET rate, which halved from a peak of 22 per cent in 2011 to just under 10 per cent in 2021.[5] The NEET rates in Greece and Spain also declined significantly over this time period. However, the NEET rate remains persistently high in Italy (26 per cent in 2014 compared to 23 per cent in 2021). Given the experiences of these countries in grappling with high NEET rates, they feature prominently in the NEET literature.

Figure 1: NEET Rate (%) for those Aged 15-29 Years Between 2007 and 2021



Source: Eurostat, Labour Force Survey 2021.

[2] NEET rates in the US also increased after 2007 (Card, 2019).

[3] For a comprehensive overview of the impact of the Great Recession on young people in Europe, see Coppola and O'Higgins (2015).

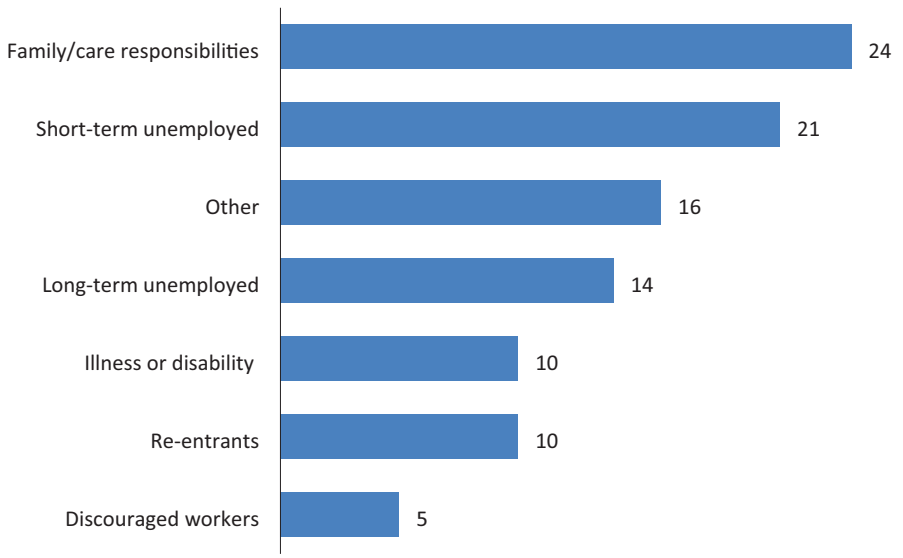
[4] Bulgaria was the only other country with a NEET rate in excess of 20 per cent in 2011. However, unlike Ireland, Greece, Spain and Italy, the NEET rate in Bulgaria has consistently been above 20 per cent, even before the Great Recession.

[5] All countries saw a temporary spike in the proportion of NEETs in 2020, attributable to the COVID-19 pandemic.

NEETs are a diverse group. Eurofound (2016) proposes disaggregating them into seven sub-categories: re-entrants, short-term unemployed, long-term unemployed, those with an illness/disability, those with caring responsibilities, discouraged young people and another category for those who do not fall into any of the former categories. The long-term unemployed (over 12 months) and the short-term unemployed (under 12 months) are actively seeking work and available to start within the next two weeks. Those with an illness or disability, those with caring responsibilities and the "other" category may or may not be seeking work, however they are unable to start within the next two weeks. Re-entrants are currently NEET but have been hired and are due to start employment or education, while discouraged workers are not seeking work due to a belief that there is no work available. The detailed classification criteria for each subgroup of NEETs are shown in Appendix Table 1.

The distribution of NEETs across the seven categories in the EU is shown in Figure 2 (Eurofound, 2021). The largest group, making up almost one quarter of all NEETs, is those with family or caring responsibilities. This is followed by the short-term unemployed (21 per cent), the "other" category (16 per cent), long-term unemployed (14 per cent), those with an illness or disability (10 per cent) and re-entrants (10 per cent). Discouraged workers make up the smallest percentage of NEETs (5 per cent). The composition of NEETs differs across countries. For example, Ireland has a relatively high proportion (19 per cent) of NEETs who are

Figure 2: Composition of NEETs (%) Aged 15-29 Years, in the EU 2019



Source: Adapted from Eurofound, 2021.

about to re-enter the labour market or education (Eurofound, 2021), and as such are less of a concern to policymakers. Of a greater concern are the relatively high proportion of long-term unemployed NEETs in Greece (41 per cent) and Italy (20 per cent). At 11 per cent, Italy also has a relatively high percentage of discouraged workers.

The diverse nature of the NEET group has led to the concept being criticised as too broad (Furlong, 2006; Yates and Payne, 2006). It is difficult to devise policies to target NEETs as a whole, and therefore there must be adequate recognition of the distinct sub-groups contained within this category, particularly those that are furthest from the labour market (Eurofound, 2016). For example, groups of concern include the long-term unemployed and those with long-term caring responsibilities. Of the latter, young single mothers are a group that are particularly at risk of becoming NEET (Dicks *et al*., 2021). Young people with disabilities and discouraged workers also represent vulnerable groups which will require a distinct policy approach. When reviewing the policy approaches for NEETs in Section IV, we are careful to take account of this heterogeneity. The international evidence indicates that certain policies work for certain NEETs, but not for others. Moreover, some policies may work for some, but could potentially lead to negative outcomes for others.

III CAUSES AND CONSEQUENCES OF NEET STATUS

3.1 Causes of NEET

Before discussing the specific individual characteristics that contribute to an increased risk of NEET status, it is important to acknowledge that adverse labour market conditions, in general, typically have a disproportionately negative impact on young people, thereby causing NEET rates to rise (Pastore, 2018; Choudhry *et al*., 2012). This was evidenced by the rapid increase in NEETs following the Great Recession in 2008 (Mascherini, 2018; Kelly and McGuinness, 2015; O'Higgins, 2012). Countries worst affected by the crisis recorded the highest NEET rates in 2012, including Bulgaria (24.6 per cent), Greece (23.2 per cent), Italy (22.7 per cent), Ireland (22 per cent) and Spain (21.1 per cent) (Drakaki *et al*., 2014; Eurofound, 2012). The vulnerability of young people to economic shocks can also be seen with the COVID-19 pandemic (Marelli and Signorelli, 2022). Much of this was due to the fact that many young people work in sectors that were hardest hit, including retail and hospitality (Roantree *et al*., 2021). The Southern European regions including Spain, Greece and Cyprus have a large service and tourism sector which resulted in mass unemployment during the pandemic (Avagianou *et al*., 2022).

Additionally, young people may be at a disadvantage as they are often classed as labour market "outsiders" (Lindbeck and Snower, 2001). Labour market "outsiders" (typically young people, women and minorities) typically experience

more frequent and longer unemployment spells in countries where "insiders" have stronger job security. Thus, young people are disproportionately affected by negative economic shocks (Pastore, 2015a). The transition from school to work has also become more challenging for some young people (Ryan, 2001). Institutional factors and structural characteristics, notably the education system, the labour market and the welfare state, help shape the transition from school to work (Cefalo *et al*., 2020). Low educational attainment, high job turnover and weak links between education and the labour market can impede this transition. Germany and Japan have been cited as countries with successful transitions as they use mass apprenticeships and school-employment recruitment networks to encourage the direct hiring of school leavers (Ryan, 2001).

Labour market institutions interact with each other and influence the unemployment rate, which in turn may affect the NEET rate. Factors such as taxes, employment protection legislation, centralisation, replacement rates and union density have been found to affect the unemployment rate (Belot and Van Ours, 2001). Temporary jobs and low-quality employment can have a particularly severe impact on youth employment (OECD, 2009). Low quality employment is characterised by non-standard labour contracts, insecurity and low entrance wages, with young people more likely to be in precarious employment and to be caught in cycles of temporary employment and unemployment (Cefalo *et al*., 2020). In recent work for Ireland, Redmond *et al*. (2023a) show that minimum wage employees, who are typically younger workers, hold jobs that are of lower quality than higher paid, older workers. Specifically, compared to higher paid employees, minimum wage employees are 10 percentage points more likely to fear job loss, 5 percentage points more likely to want to work more hours than they currently do, and 20 percentage points less likely to be members of a trade union.

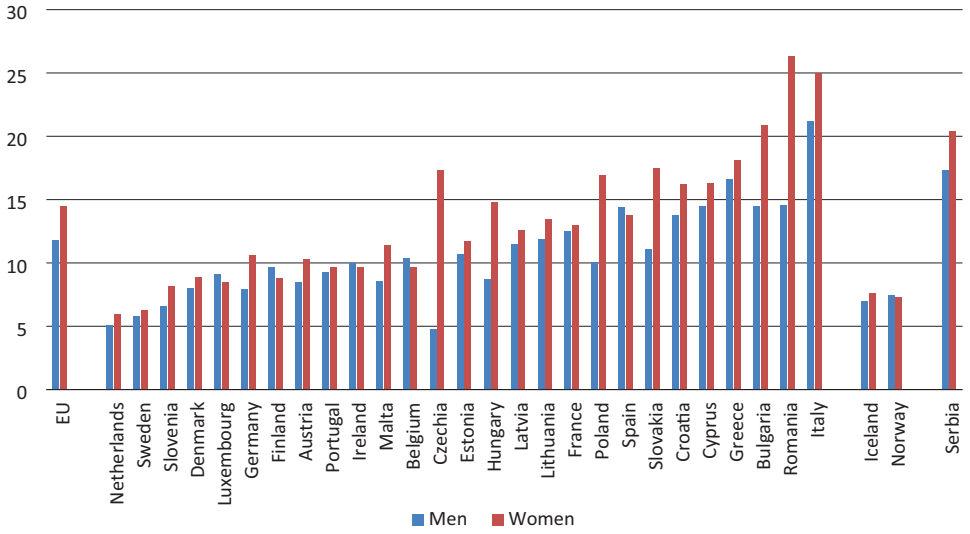
At an individual level, there are many factors that contribute to NEET status. For some individuals the reason can be quite specific, such as having an illness, disability or caring responsibilities, whereas in other cases it can be multifaceted and complex. Furthermore, some of the factors are bi-directional in that they may be the cause or the consequence of NEET status, and disentangling these two is often not possible.

One potential cause of NEET status is being an early school leaver and having a low level of education (Carcillo *et al*., 2015; Eurofound, 2016). Young people often face barriers to accessing higher education, including high tuition fees and costs of living, leading to a lower level of education and higher likelihood of becoming NEET (Avagianou *et al*., 2022). For most EU Member States, increasing the level of education should reduce the proportion of NEETs (Flisi *et al*., 2015). However, having a higher level of education does not guarantee employment (Nunez and Livanos, 2010; Lim and Lee, 2019). In certain countries like Greece and Cyprus, those with a higher level of education have a similar risk of becoming NEET as those with lower levels of education. For example, more than 25 per cent

of NEETs in Greece are higher education graduates (Drakaki *et al*., 2014). Kevelson *et al*. (2020) find that college educated individuals whose parents have low levels of education are more likely to become NEET than those with highly educated parents.

There is a gender difference when it comes to NEET status, with women more likely to become NEET than men. This can be seen in Figure 3, which shows NEET rates by gender in the EU in 2021. Overall, 14.5 per cent of women aged 15-29 years were NEET, compared to 11.8 per cent of men. In some countries, such as Czechia and Romania, the gender difference in NEET rates is substantial, amounting to 12.5 percentage points and 11.7 percentage points, respectively. Motherhood is often cited as the main reason for women becoming NEET, with single mothers at a higher risk than cohabiting or married mothers (Dicks *et al*., 2021). These women often fall into the NEET category of "family/caring responsibilities" outlined earlier (Figure 2). Dicks *et al*. (2021) investigate the risk factors associated with NEET status among first-time mothers. They find that informal childcare supports, in the form of grandparents that live nearby, reduce a young mother's likelihood of becoming NEET, and increase their likelihood of exiting NEET status.[6] The reliance on this type of informal support is greatest when there are no formal childcare facilities nearby. The importance of adequate childcare is also acknowledged by Martin (2015), who notes that activation policies can be successful for lone parents provided there are childcare supports available.

Figure 3: NEET Rate (%) for Men and Women Aged 15-29 Years in 2021



Source: Eurostat, Labour Force Survey 2021.

[6] Connelly (1992) find that high childcare costs lead to many women withdrawing from the labour market.

Having an illness or disability has been found to increase a young person's risk of becoming NEET (Rasalingam *et al*., 2021).[7] Similarly, Cornaglia *et al*. (2015) find that mental health problems are associated with a higher probability of NEET status. According to Murphy (2022), almost two-thirds of young people in the UK that are economically inactive due to illness or disability had a mental health problem. She notes that these risks can persist over time, as half of young people that become workless due to a mental health disorder remain workless for at least one year. The scale of the issue is apparent from Figure 2, which shows that 10 per cent of NEETs fall into the illness / disability category.

Other factors such as living in a deprived area, having a criminal record, experiencing homelessness and migrant status can increase a young person's likelihood of becoming NEET (Belfield *et al*., 2012; Froy and Pyne, 2011; Eurofound, 2012).[8] Ruiz-Valenzuela (2020) find that having a father with a permanent contract makes their children 2 percentage points less likely to be NEET, while Card (2019) notes that young people from disadvantaged family backgrounds are particularly vulnerable to potentially long-lasting adverse consequences. Carcillo *et al*. (2015) find a strong association between the risk of becoming NEET and the education level of the young person's parents. Averaged across all OECD countries, the parental educational attainment among NEETs is almost half an ISCED-level lower compared to non-NEETs.

Mendolia and Walker (2015) investigate the relationship between personality traits and the risk of youth becoming NEET. They find that individuals that display low effort and diligence, low self-esteem, and external locus of control are more likely to become NEET. However, Goldman-Mellor *et al*. (2016) find that the majority of 18-year-old British NEETs are committed to finding work. They conclude that NEET status is not caused by low motivation but is, to a large extent, due to mental-health issues, including anxiety, depression and substance abuse.

Living in a rural area is also associated with a higher risk of becoming NEET, due to a lack of opportunity, public transportation and services (Petrescu *et al*., 2022). Furthermore, Avagianou *et al*. (2022) found that regions with a high number of people employed in agriculture had an increased NEET rate. They also observed higher NEET rates in regions which have a high proportion (over 35 per cent) of people employed in the service sector such as the Ionian, Canary and Balearic Islands. Likewise, Bell and Blanchflower (2015) argue that the inadequate private rental market in Greece has become an obstacle to labour market opportunities. It restricts mobility which can make it more difficult to find employment or enrol in an education or training programme.

[7] In the UK in 2008, 39 per cent of young disabled people aged 16 to 24 were classified as NEET, compared to 15 per cent of non-disabled young people (Jones, 2010).

[8] Eurofound (2012) indicate that young people with a migrant background were 70 per cent more likely to become NEET. However, van Vugt et al. (2022) find that individuals with migrant backgrounds are less likely to be a long-term NEET than native-born individuals.

A small proportion of NEETs are voluntary. In Eurofound's (2016) disaggregation of NEETs they allude to a group of individuals who are sometimes termed as "opportunity seekers". These people often choose to be unemployed while they wait for an opportunity in their field. Furthermore, people might decide to go travelling or work in the volunteering sector. Some of these individuals may be less at risk from long-term adverse consequences of NEET status than some of the other more vulnerable subgroups.

3.2 Consequences of NEET

Young people with NEET status are often under financial strain, leading to a greater risk of poverty, material deprivation and housing insecurity (Eurofound, 2012; 2021; Figgou *et al*., 2021; Šoltés *et al*., 2020). NEET status can also lead to long-term scarring associated with economic inactivity and unemployment (Ralston *et al*., 2022; Schmillen and Umkehrer, 2017), as well as diminished future earnings (Eurofound, 2012).[9] Even when a NEET finds employment there is an increased likelihood that they will be working in a "low-status" occupation (Feng *et al*., 2015).

NEET status can also have adverse consequences for a person's mental health and wellbeing (Eurofound, 2012; Feng *et al*., 2015). Much like the labour market consequences, the mental health effects can be persistent, as youth unemployment can lead to long-term mental health scarring (Strandh *et al*., 2014), as well as lower life-satisfaction (Knabe and Rätzel, 2011).[10] In addition, NEET status can affect a person's social capital and risk of social isolation (Figgou *et al*., 2021). Exclusion and isolation as a result of being a NEET might potentially lead to some behavioural issues such as substance misuse and criminality (Eurofound, 2012).[11] Feng *et al*. (2015) found that NEETs were nine times more likely to be misusing drugs than non-NEETs. However, the effects were not permanent and returning to employment significantly reduced the prevalence of drug misuse.

While NEET status is associated with adverse consequences for the individual, it can also have important consequences for the wider economy (Brunello and de Paola, 2014). During the economic crisis from 2007-2013, Eurofound (2021) estimate that the economic loss caused by having such a large number of NEETs exceeded €153 billion per year. Due to a lack of opportunities, NEETs often emigrate in search of employment, and this often results in "brain drain" for the origin country (Matsaganis, 2015). For example, 200,000 young Greeks emigrated since the crisis, most of which were highly educated (Kougias, 2019). As explained by Simões *et al*. (2022) rural areas often struggle with brain drain and out migration

[9] Parsanoglou *et al*. (2019) find that scarring effects are greater in countries with low youth unemployment rates.

[10] Mental health difficulties may be further compounded if people forego doctor visits due to a lack of financial resources (Figgou *et al.*, 2021).

[11] For the US, Bray *et al.* (2016) find that countries with high rates of "disconnected youth" have more arrests relating to drug sales, and have more juvenile runaways.

as young people move away in search of employment and for further education. Those who are unable to migrate tend to be more disadvantaged as they lack the income or resources to move. Consequently, opportunities for employment or further education are reduced as they are restricted to their local area. This may help explain the higher proportion of NEETs in rural areas.

IV POLICIES FOR NEETS

Reducing the number of NEETs in the EU is a major policy objective. In 2021, the NEET rate in the EU was over 13 per cent. The target of the European Pillar of Social Rights Action Plan is to reduce this to 9 per cent by 2030.[12] The European Social Fund+, with a budget of €88 billion, is the main instrument that will be used to pursue this objective. For countries with NEET rates above the EU average, there is a requirement to devote at least 12.5 per cent of their funding to reducing the number of NEETs.

The Youth Guarantee was adopted in 2013 to target high rates of youth unemployment following the 2008 crisis and to reduce the number of NEETs in the EU (European Commission, 2020a). One of the Guarantee's objectives is to ensure that all young people receive an offer of employment, education, apprenticeship or traineeship within four months of unemployment or cessation of education. The Youth Guarantee focuses on early intervention in combination with rapid activation policies (OECD, 2014). It has assisted over 24 million young people across the EU since its implementation in 2013 (European Commission, 2020b). Against the backdrop of the COVID-19 crisis, which was having a disproportionate impact on young people, the Reinforced Youth Guarantee came into effect in 2020, with a renewed commitment to providing funding to reducing NEET rates.

The Youth Guarantee is not prescriptive in terms of the specific types of policies for reducing the number of NEETs. It is an outcome-based structural reform, and the means of implementation may vary both within and across Member States. As such, the Youth Guarantee respects the diversity of Member States and therefore it dismisses the notion of a "one-size fits all" approach (Dingeldey *et al*., 2019). Furthermore, Member States had existing policies and programmes to tackle youth unemployment prior to the implementation of the Youth Guarantee (OECD, 2014). Therefore, countries can incorporate elements into the Youth Guarantee and tailor its implementation to the specific needs in their own regions.

While the Youth Guarantee is not prescriptive in terms of specific policies, achieving the outcomes prescribed in the Youth Guarantee will clearly depend on the types of policies that are implemented. In this section, we review the international evidence on the effectiveness of policy interventions targeting NEETs.

[12] See https://op.europa.eu/webpub/empl/european-pillar-of-social-rights/en/

We pay careful attention to the diversity of the NEET group, and include separate discussions on policy effectiveness for different subgroups of NEETs. This is particularly important as some policies will be effective for some NEETs, but not others. Moreover, certain policy interventions may benefit some, but actually lead to adverse outcomes for others.

4.1 Active Labour Market Policies

At the core of many youth activation strategies is welfare conditionality, whereby receipt of unemployment benefit is conditional on the individual engaging with the public employment services (PES) or participating in education and training. Broadly speaking, these are referred to as active labour market policies (ALMPs), and they can be categorised into five main types (Eichhorst and Rinne, 2015): job-search assistance; training programmes; subsidised employment with private enterprises; direct job creation and public employment programmes; start-up subsidies and self-employment support. Within this typology, there is considerable scope for differences in policy design. However, regardless of the type of policy in question, its success will depend on the country having a well-functioning public employment service (Pastore, 2015a; Kougias, 2019).

Caliendo and Schmidl (2016) provide a comprehensive survey of the evidence on the effectiveness of ALMPs on youth in Europe. They find that job search assistance is consistently associated with positive employment effects. However, the evidence on the effectiveness of training is mixed. While classroom-based training can have positive employment effects, it can have a negative effect on education by crowding out, or acting as a substitute to, formal educational attainment. The evidence on firm-based training, or combinations of classroom and firm-based training, is even more mixed, with different studies showing positive, zero and even negative results on employment. However, Caliendo and Schmidl (2016) note that the negative finding could be due, in part, to these policies being evaluated at a time of adverse economic conditions.[13] In related work, Mawn *et al*. (2017) provides a systematic review of policies targeting NEET re-engagement. They find that successful policies typically involve high-intensity, multicomponent interventions, consisting of frequent jobseeker engagement and a combination of skills-based classroom training and on-the-job-training (e.g., internships or job placements). Therefore, Mawn *et al*. (2017) indicate more positive outcomes from combinations of classroom and firm-based training than Caliendo and Schmidl (2016). While not universally effective, Mawn *et al*. (2017) show that these types of policies can lead to small increases in employment, slightly higher earnings, and lower welfare dependency among NEETs. When interpreting the results regarding ALMPs, it is important to note that the effectiveness of such policies can take time

[13] The policies in question come from Sweden and Norway in the 1990s, during which time both countries were experiencing recession.

to manifest. In a comprehensive review of over 200 studies of ALMPs, Card *et al*. (2018) conclude that while the impacts are often close to zero in the short run, they become more positive 2-3 years after completion of the programme.[14]

For public employment programmes involving young people, Caliendo and Schmidl (2016) find overwhelming evidence that they are either ineffective or create negative impacts. The reason is that low-paid public work programmes may reduce an individual's likelihood to search for "real" jobs. Moreover, as they do not involve contact with "real" firms, they offer little access to the labour market. However, hiring subsidies paid to private sector employers have been shown to have a more positive impact on employment and wages (Martin and Grubb, 2001; Kluve, 2010; Caliendo and Schmidl, 2016).

Start-up subsidies are a potentially useful type of ALMP for individuals who possess entrepreneurial skills (Martin and Grubb, 2001). In addition to tackling unemployment, entrepreneurship is viewed as a catalyst for innovation and economic growth (Karanassios *et al*., 2006). Such policies are said to possess a potential "double dividend" whereby they first create employment for the individual and then create further employment opportunities and potentially reduce unemployment (Caliendo and Künn, 2011). There is a strong motivation among young people towards self-employment, with just under half of young people indicating that they would prefer to be an entrepreneur over an employee (OECD and European Union, 2020). However, the self-employment rate among young people is less than it is for adults. This is often due to a lack of skills, experience and difficulties in accessing finance. For example, in Greece, Karanassios *et al*. (2006) note that education institutions may be deficient in providing students with opportunities to develop entrepreneurship skills. In their review of the implementation of the Youth Guarantee across Europe, Escudero and Lopez Mourelo (2017) note that programmes for youth entrepreneurship are less common than other ALMPs targeting young people. Accordingly, the empirical evidence on the effectiveness of start-up and entrepreneurship schemes is relatively scarce. There are, however, notable exceptions. Caliendo and Künn (2011) evaluate self-employment start-up subsidy schemes in Germany and find that they are effective in terms of generating positive income and employment outcomes, up to five years after the scheme. Almeida and Galasso (2007) find positive income effects for highly educated young people in Argentina. Brown and Koettl (2015) note that the positive employment effects associated with such schemes tend to be mainly concentrated among highly educated males.[15]

[14] The success of ALMPs is also likely to depend on prevailing economic conditions. Cammeraat *et al.* (2022) analyse the impact of mandatory activation policies in the Netherlands during the Great Recession. They find the reforms did not reduce the NEET rate and suggest that activation reforms may be a less effective policy tool during a recession.

[15] See also Cazes et al. (2009) for a review that includes developing countries, again finding that entrepreneurship schemes are particularly effective for highly educated individuals.

Figure 2 showed that 21 per cent of NEETs were short-term unemployed, and 14 per cent are long-term unemployed. Therefore, even within the subgroup of unemployed NEETs, there will be significant heterogeneity. The long-term unemployed are generally more disadvantaged and possess lower levels of education and skills than the short-term unemployed. As such, policies will affect these two groups differently. For example, Caliendo and Schmidl (2016) find evidence that the most disadvantaged unemployed young people benefit from work-based training, while young people with higher levels of education are negatively impacted by such policies, possibly due to stigmatisation associated with this type of training. Furthermore, as discussed above, entrepreneurship and start-up schemes appear to be beneficial mainly for highly educated individuals, and may therefore benefit short-term unemployed more than long-term unemployed.[16]

Rather than evaluating specific ALMP policies, a related strand of literature examines the overall impact of ALMP spending on the unemployment rate. This typically involves cross-country panel data analysis. Martin (2015) provides a useful survey of this literature and finds that most studies suggest that ALMP spending reduces unemployment and long-term unemployment. Despite the evidence on the effectiveness of active labour market policies, and the emphasis placed on such policies by organisations such as the OECD, many countries have been slow to adjust their labour market policies accordingly (Kelly *et al*., 2011). Most countries continue to devote more public spending towards passive income supports than ALMPs. In Appendix Table 3, we show spending on active policies versus passive measures for a range of OECD countries. The majority (19 out of 31 countries) spend more (as a percentage of GDP) on passive measures. There are some exceptions, such as Australia, Denmark, New Zealand, Sweden and the United States that devote a relatively large share of spending towards ALMPs.[17] This has important implications for policy, as Bacher *et al*. (2017) show that spending on active labour market policies can substantially reduce the NEET rates among 20-24 year olds.

4.1.1 ALMPs in Ireland

Like many other countries, Ireland has historically prioritised passive labour market policies and has been slow to adjust policy towards labour market activation (Parliamentary Budget Office, 2018). From Appendix Table 3, we see that in 2019, Ireland spent more on passive measures than active policies. However, reforms in the provision and delivery of ALMPs in Ireland have taken place in recent decades and several studies have sought to evaluate their effectiveness.

[16] In Table 2 of the Appendix, we list some additional specific examples of policies targeting NEETs and young people that were deemed successful by the EU in Greece, Ireland, Spain and Italy.

[17] As well as spending more on ALMPs than passive measures, each country spends more than 1 per cent of GDP on ALMPs.

Despite being considered one of the least effective types of policy, work programmes in Ireland have consistently been the largest ALMP category in terms of participants and expenditure (Parliamentary Budget Office, 2018). These programmes consist of the Community Employment Programme (CE), the Rural Social Scheme (RSS), and Tús.[18] The largest work programme is the Community Employment Programme, which offers part-time and temporary placements in jobs based within local communities. In 2019, there were 21,290 participants on the CE Programme, with total expenditure of €353 million (Department of Employment Affairs and Social Protection, 2019).[19] However, as noted by Kelly *et al*. (2013), public sector job creation programmes such as the CE Programme typically do not work, mainly because they lack real labour market linkages. O'Connell *et al*. (2009) find that participation in the CE Programme is associated with a reduced likelihood of avoiding long-term unemployment. This reinforces the evidence that such schemes are often ineffective and that, in general, programmes with stronger links to the labour market are most effective (O'Connell, 2002).

The Back to Education Allowance (BTEA) in Ireland is classified under the training component of ALMPs (Parliamentary Budget Office, 2018). The BTEA was established in 1998 and is one of the largest activation measures in Ireland (Kelly *et al*., 2015). It provides opportunities for further education for social welfare recipients while retaining their welfare payment. In evaluating the BTEA scheme, Kelly *et al*. (2015) found it to be ineffective with respect to its primary goal of helping individuals from unemployment into employment. Kelly *et al*. (2015) found that jobseekers who commenced BTEA were between 25 and 30 percentage points less likely to have left the Live Register than non-BTEA jobseekers.

While BTEA participants engage in longer-term, full-time education, other short-term public sponsored training courses exist, and McGuinness *et al*. (2014) evaluate the effectiveness of these courses. During the time period studied in McGuinness *et al*. (2014), these courses were implemented by the national training and employment authority (FÁS), which has since been disbanded. McGuinness *et al*. (2014) found that those who participated in training were less likely to be unemployed two years later. The effects varied depending on the type and duration of training. Strong positive effects were found for job-search skills and medium to high level skills courses. The effects for general vocational skills were more modest. With the exception of high-level skills courses, training of shorter duration was found to be more effective.

Subsidy programmes are also implemented in Ireland to encourage employers to hire long term unemployed candidates. JobsPlus was launched in 2013 and provides employers with subsidies of €7,500 or €10,000 over two years, with the

[18] Details on all social welfare programmes in Ireland can be found at https://www.gov.ie/en/collection/ff767-social-welfare-schemes-and-services/

[19] We look at 2019 as social welfare spending in more recent years is temporarily distorted by the impacts of the COVID-19 pandemic.

level of payment dependent on the age of the candidate and the length of time they have been unemployed. Cronin *et al*. (2020) evaluate the JobsPlus programme and find some positive results. Participation in the programme is found to reduce the probability of unemployment and to increase the earnings and hours worked of participants. The results were stronger and longer lasting for younger participants and for those who had lower earnings from previous employment.

JobBridge was an internship scheme which ran from 2011 to 2016 and provided jobseekers with a six or nine month work placement. Participants received their usual social welfare payment along with a €50 top-up payment. The scheme was entirely funded by the State. In an evaluation of JobBridge, Indecon (2016) found that participants in JobBridge were 12 percentage points more likely to secure employment after completing JobBridge compared to a matched control group that did not participate in JobBridge. However, Indecon (2016) also documented significant deadweight loss, meaning that most of the benefits in terms of employment would have occurred even if the scheme did not exist. JobBridge attracted widespread criticism from political parties and trade unions, who considered the scheme exploitative, allowing companies to take advantage of free labour. The Indecon (2016) report noted that a minority of host organisations would have hired paid employees had the scheme not existed. Against the backdrop of this, the scheme was abolished in 2016.

Beginning in 2012, a reform to the provision of Ireland's public employment services took place with the roll-out of "Intreo". This involved the integration of the provision of benefit and employment services into "one-stop-shop" Intreo centres. Prior to this, jobseekers interacted with three separate agencies to access benefit and employment services: the Department of Employment Affairs and Social Protection (DEASP); the Community Welfare Service (CWS); and FÁS. In an evaluation of the Intreo reforms, Kelly *et al*. (2019) found only weak evidence of small positive employment effects six and nine months following claim activation. As noted by Kelly *et al*. (2019), the fact that the reforms did not generate substantial employment effects may not be surprising given the reforms mainly focused on changing *how* services were delivered as opposed to *what* services were delivered to jobseekers.

Some studies have pointed to shortcomings in the delivery of public employment services in Ireland. Kelly *et al*. (2019) found that the probability of exit (PEX) profiling model, that was a key component of the Intreo reforms, was not properly implemented due to deficiencies in data collection. This meant that jobseekers could not be adequately assessed in terms of their risks of long-term unemployment. McGuinness *et al*. (2019) found evidence of deficiencies when it comes to the monitoring and sanctioning of jobseekers. They evaluate an intervention consisting of jobseekers receiving a referral letter for interview along with job search assistance from the public employment services. Compared to jobseekers that did not receive a referral letter, the intervention actually reduced a

person's likelihood of finding employment. This is attributed to candidates lowering their job search intensity once they attend the interview and realise the lax nature of monitoring and sanctions.

While ALMPs can be effective for unemployed people, there are many inactive young people that could be re-activated but may not be targeted by ALMP programmes. According to Eurostat (2022), 25.9 per cent of the working age population (15-64 years) were economically inactive at the beginning of 2022. Nearly 80 per cent of the inactive population indicated that they would like to work at least a few hours per week (Eurofound, 2017). Identifying barriers to their participation and finding measures to overcome this is important. Fundamental requirements to successfully engage the inactive population include a labour market which is inclusive and flexible, accessible quality services such as childcare and adequate income support (Eurofound, 2017). In the following sections, we explore some of the specific policies that may be effective in re-activating some of these groups.

4.2 Family / Caring Responsibilities

The largest subgroup of NEETs, shown in Figure 2, are young people with family and caring responsibilities. These individuals will possess a very specific set of characteristics and circumstances, and hence require a different set of policies. Some may be very far from the labour market due to extended periods of economic inactivity. This group disproportionately consists of women, many of which are lone mothers.[20] These have been consistently identified as a group that are at high risk of poverty and long-term welfare dependency and, as such, a major policy objective is to increase their labour market participation (Regan *et al*., 2018; Redmond *et al*., 2023b; Martin, 2015).

Policies relating to single parents vary across countries. A recent example of a major policy reform occurred in Ireland. In the years prior to the reform, Ireland attracted international criticism from organisations such as the OECD and the European Commission due to the long-term nature of one parent family payments that lacked any activation component. This was said to promote long-term welfare dependency among young mothers (Regan *et al*., 2018). In response, a major policy change was initiated. Prior to 2012, lone parents (over 90 per cent of which are women) could receive a lone-parent benefit payment until their child was 18 years of age, with no activation component attached. The qualifying age for the child was subsequently reduced to seven years of age, along with the introduction of an activation component. This was found to lead to significant increases in hours worked, the probability of working, and the earnings of lone mothers (Redmond *et al*., 2023b). Similar policies to reduce the qualifying age for single-parent benefits

[20] According to Eurofound (2016), over 90 per cent of the caring responsibilities group were young women. For the UK, Barham et al. (2009) found that 72 per cent of inactive young women aged 16-24 who were NEET gave their reason for inactivity as looking after the family or home.

have been shown to increase employment among single parents in the UK (Avram *et al*., 2018) and Australia (Gong and Breunig, 2014). Job search requirements and in-work benefits have also been found to be effective policies for this group. However, to ensure such policies are effective, it is important to have adequate supports in place for childcare provision (Maguire, 2018; Martin, 2015). Van Vugt *et al*. (2022) find that affordable childcare can also lead to a lower risk of young mothers becoming a long-term NEET.

Parental leave policies can also have important implications for young mothers and may create unintended consequences. Van Vugt *et al*. (2022) find that long maternity leave entitlements are positively correlated with the likelihood of becoming long-term NEET, especially among those with low levels of education. Similarly, Olivetti and Petrongolo (2017) find that long maternity leave entitlements had a negative effect on female employment. Many countries have parental policies where mothers and fathers can share their parental leave entitlement. However, even in such cases, women are far more likely than men to avail of this leave (Hegewisch and Gornick, 2011). As such, the role of paternity leave is receiving increased attention, as policies targeted in this direction could play an important role in supporting young mothers in the labour market. For instance, Farré and González (2017) examined the effect of two additional weeks of paternity leave on labour market outcomes in Spain. They found that it was beneficial to mothers in the short-term as they were more likely to be employed after giving birth. There are other examples of policies that aim to share parental leave more equally across genders. For example, there is mandatory paternity leave in Portugal, where men must take at least five days leave after the birth of the child. Iceland, Norway, Sweden and Germany saw increases in men's use of parental leave following the introduction non-transferable "daddy days" (Hegewisch and Gornick, 2011).

While the focus is often on parental leave, young people may also experience economic inactivity due to caring responsibilities for a family member with an illness, or an elderly parent. This can lead to adverse consequences for employment (see, e.g., Fahle and McGarry, 2018). In comparison to parental leave, the research on paid leave for people in these circumstances is limited (Waldfogel and Liebman, 2019). There are, however, some recent notable exceptions. Braga *et al*. (2022) study the impact of paid leave benefits to workers caring for family members with a disability or serious medical condition. They find that women with a spouse or family member that experiences a negative health shock, are less likely to leave their job following the implementation of the paid family leave policies. Similarly, Anand *et al*. (2022) find that paid leave legislation reduces the likelihood that carers reduce their paid work hours.

4.3 "Hard to Reach" NEETs

A policy challenge for supporting economically inactive NEETs to re-enter the labour force is to identify them in the first place. This is difficult as 43 per cent of

NEETs that are inactive are not registered with public employment services (Eurofound, 2016). For example, the subgroup of "discouraged workers" may not be engaging with jobseeker programmes and the public employment service due to a perceived lack of opportunities. As noted by Karanikola and Panagiotopoulos (2020) simplifying access to services is crucial to engage "hard to reach" NEETs. There have been recent innovative examples of policies aimed at identifying inactive young people. For example, the "NEETwork" project in Lombardy aims to target unregistered NEETs through the use of outreach campaigns on their website, and via social media platforms such as Facebook, Instagram and YouTube (COST, 2022).[21] The criteria for the project is that someone is a NEET aged under 25, they have a low level of education, they come from a disadvantaged background and that they are not enrolled in the Youth Guarantee. The project involves a six-month paid traineeship, opportunities to enhance digital skills and career mentoring. This type of innovative campaign that harnesses the social media interest of young people may be a useful approach for targeting hard to reach NEETs in other jurisdictions. Establishing empirical evidence of their effectiveness would also be a useful avenue for future research.

There is also a need for basic service provision, such as housing, transportation, healthcare, childcare and internet access, to support "hard to reach" people into the labour market or into education and training, particularly for the most marginalised and disadvantaged groups in society. For example, an initiative called Tapaj in France and Quebec outreaches to youth without a fixed home. It provides the opportunity to work for a few hours per day with no qualifications necessary and no-long term commitments.[22] The approach is holistic whereby a range of different services such as employment, healthcare and housing assistance are utilised to help this cohort. Results have been positive with just under half finding permanent work as well as helping 56 per cent of participants to overcome a drug misuse problem (Eurofound, 2017). Whelan *et al*. (2020) show that intensive pre-employment supports for individuals that have been unemployed for at least two years can significantly improve their likelihood of finding employment. One-to-one supports were provided, and they were holistic in nature covering a wide range of issues, such as CV preparation, assistance with childcare and mentoring services.

4.4 NEETs with an Illness or Disability

We saw from Figure 2 that 10 per cent of NEETs have an illness or disability. Providing a more inclusive workplace is important for all employees but even more so for this group. People with a disability are more likely to face unfair treatment and discrimination at work, have lower levels of confidence and face difficulties due to the lack of accessible workspaces and special equipment (Coleman *et al*.,

[21] https://www.fondazionecariplo.it/en/projects/social-services/neetwork.html
[22] https://www.dianova.org/news/tapaj/

2013). Again, there have been innovative policy initiatives in this area. An example is the Access to Work scheme in the UK which helps people with a mental health condition or physical disability to obtain and stay in employment.[23] It provides financial aid for practical supports such as BSL (British Sign Language) interpreters and a support worker in the workplace and mental health supports such as one-to-one sessions with a mental health professional. In addition, every Jobcentre Plus office has a dedicated disability employment advisor. An evaluation of Access to Work in 2009 found service users and employers alike appeared satisfied with the scheme (Dewson *et al*., 2009). The scheme led to increased wellbeing, greater retention of staff with disabilities, improved attendance, financial gains and greater independence among employees.

Individual Placement and Support (IPS) is often cited as an effective approach to increase employment for people experiencing mental health difficulties (Vukadin *et al*., 2021). There are eight guiding principles including; competitive employment, zero exclusion, integration of mental health and employment services, client preferences, benefits counselling, rapid job search, long term support and job development. As described by Bond *et al*. (2020) "*IPS is the most extensively and rigorously researched of all employment models and the only evidence-based employment model for people with serious mental illness*." Accordingly, IPS is extensively used in countries across the world. Murphy (2022) emphasises the need to integrate mental health support to employment services. She found that participants who engaged with employment advisers within community mental health teams were more likely to transition into employment. However, there are significant financial barriers and inadequate collaboration among IPS stakeholders (Vukadin *et al*., 2021). Therefore, addressing the underfunding of mental health services and increasing their capacity will likely result in better outcomes for clients.

Jones and Latreille (2011) find that self-employment can provide an important means for those with work-limiting disabilities to accommodate their impairment. Financial support for start-up companies and self-employment is consistently emphasised as an important component of the Youth Guarantee, in order to reduce NEET rates. However, there is not much discussion on specifically linking such schemes to individuals with disabilities. Further developments in this area could lead to opportunities for NEETs with illnesses and disabilities in Europe.

4.5 Rural NEETs

An area that has received relatively little attention in the policy debate relates to the specific case of NEETs in rural areas. While not specifically listed as one of the subgroups of NEETs in Figure 2, compared to urban areas, rural locations tend to have higher NEET rates, with these young people facing issues relating to a lack of opportunities, mobility and limited services (Petrescu *et al*., 2022). One

[23] https://www.gov.uk/access-to-work

consequence of this is "brain drain" in rural areas, where young people leave the region to seek better employment opportunities in urban areas (Simões *et al*., 2022). While there is a lack of specific measures to target rural NEETs, there are existing initiatives in rural areas which focus broadly on youth unemployment and job creation. An example is the ODISSEU project in the Catalonia region which seeks to address "brain drain" in the area by encouraging young people to reside and work in rural areas (COST, 2022). The project uses a variety of approaches to achieve this including; workshops in local rural schools, outreach measures (surveys were conducted in train stations when rural youth were returning to universities in cities), assisting local employers with access to funding to provide internships, and a virtual platform was created to highlight different resources and services in the region.[24] This platform maps different employment services in the area such as co-working hubs in addition to education institutions and healthcare services. Similar local solutions such as the ODDISEU project may provide a useful approach to address the issues facing NEETs in rural areas.

The issue of rural NEETs is also of relevance today due to the recent dramatic changes to the nature of work arising from the COVID-19 pandemic. An increase in remote working and flexible working arrangements has seen many people move back to rural areas. This may present opportunities for rural NEETs, in terms of access to work, education and training. One area that is growing in popularity is the use of coworking spaces, and this is discussed in detail in Section 5.

4.6 VET and Apprenticeships

Much of the focus so far has related to finding employment. However, the Youth Guarantee also focuses on providing offers of apprenticeships to young people, thereby re-engaging them with vocational education and training (VET). These programmes are flexible and can adapt to labour market changes and skill shortages (European Commission, 2020b). VET programmes facilitate young people's transition to the labour market. They are in a position to prepare for the digital and green transition as they can offer progression opportunities such as obtaining a qualification. As part of the Youth Employment Package, there are ambitious targets for VET programmes such as a graduate employability rate of 82 per cent (European Commission, 2020b). There has been an emphasis on the inclusivity of VET programmes and that they should target vulnerable and disadvantaged groups. Thus, it has the potential to benefit young NEETs and complement the Youth Guarantee.

According to the ILO (2019b), apprenticeships can be defined as a type of VET programme which combines on-the-job training with learning. Typically, apprenticeships have a contract agreed by the apprentice and the employer which details remuneration, the training period, responsibilities etc. It was found that countries with a higher prevalence of apprenticeships recorded lower youth

[24] https://viurearural.cat/

unemployment rates following the 2008 financial crash. In 2020, the European Alliance for Apprenticeships (EAfA) was renewed, outlining six priorities to provide quality apprenticeships across Europe (European Commission, 2021).[25] Between 2019 and 2020 the EAfA created over 735,000 apprenticeship places in addition to over 1,500 mobility experiences.

In addition to the six priorities, three horizontal issues were identified in the context of apprenticeships. These were issues of gender, social inclusion and internationalisation. Thus, the EAfA are attempting to reduce the gender gap in apprenticeships and utilise them as a tool for social inclusion. This is important as previous work has highlighted gender discrepancies in relation to apprenticeships. Bacher *et al*. (2017) finds that the Austrian dual apprenticeship system reduces NEET rates of young adult males aged 15-19 years, while having no impact on females. This is consistent with an earlier review of the evidence by Ryan (1998) showing that the benefits of apprenticeship schemes are primarily concentrated among young males.

V EMERGING LABOUR MARKET TRENDS AND THEIR POTENTIAL IMPACT ON NEETS

5.1 Technological Change

The potential impact of technological change, including advances in robotics, automation and artificial intelligence, is one of the most widely discussed topics in labour economics. It is an area that generates significant debate among policymakers and is often associated with concerns that advances in technology will have a negative impact on jobs. However, advances in technology also present opportunities to create new and better jobs, provided the necessary education and training is available. To gain a full understanding on the potential impact of technological change on NEETs, and young workers in general, it is necessary to look to the existing evidence in this area and to examine how policy is responding to a changing labour market.

Recent years have seen an increase in "technological alarmism", as concerns emerge about technologies such as robotics and artificial intelligence taking over people's jobs and affecting their livelihoods (McGuinness *et al*., 2023). This was partly a result of studies such as the widely cited paper by Frey and Osborne (2013), who suggested that up to half of jobs in advanced economies could be replaced by machines. However, much of the recent evidence disputes this finding. Rather than examining occupations as a whole, the recent literature highlights the importance

[25] A detailed description of the six priorities can be accessed here: https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=9812&furtherNews=yes#navItem-1.
[26] It may be unrealistic to suggest occupations can be automated in their entirety. However, it may be that certain tasks within occupations could be automated.

of examining how technological change impacts tasks within occupations.[26] Studies that focus on tasks indicate a much lower risk of potential job displacement than suggested by Frey and Osborne (2013) (see e.g., Arntz *et al*., 2017; Nedelkoska and Quintini, 2018).

It is also possible that, instead of destroying jobs, technological change can create new tasks and new occupations where labour has a comparative advantage. As noted by Acemoglu and Restrepo (2018), half of employment growth in the US from 1980-2015 occurred in occupations where the tasks carried out by employees changed. Van Roy *et al*. (2018) find evidence of positive employment effects of high-tech innovation, while Fossen and Sorgner (2019) and Graetz and Michaels (2018) find evidence that artificial intelligence and industrial robots boost labour wages and productivity.

The impact of technological change on NEETs has the potential to be particularly acute. According to ILO (2020), young workers face the highest risk of automation because they are more likely to occupy entry-level jobs with automatable tasks. If automation poses a disproportionate threat to young workers, this could lead to an increase in the NEET rate. However, there may also be opportunities for young people as a result of technological change. While technological developments are profoundly changing the information and communication technology (ICT) skill requirements in the labour market, OECD (2016) notes that young people are more ICT proficient than older generations. According to OECD (2015), 42 per cent of adults aged 25 to 34 can complete tasks involving multiple steps using specific technology applications, compared to just 10 per cent of adults aged 55-65. Therefore, provided the correct support and training is in place, opportunities may exist for NEETs in an increasingly digitalised world.

The impact of technological change will also vary across countries depending on the intensity of technology adoption and high-tech jobs. Ireland has the highest percentage of employment in high-tech sectors in the EU.[27] According to Eurostat, 10 per cent of total employment in Ireland in 2022 was in technology and knowledge intensive sectors, which was double the EU average of 5 per cent.[28]

Policymakers in Ireland appear to recognise the importance of adjusting the skillset of the population in response to emerging technologies. In 2022, the Department of Further and Higher Education, Research, Innovation and Science launched a multi-year research programme with the Economic and Social Research Institute to examine skill requirements for emerging technologies in the labour

[27] See https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Archive:High-tech_statistics_-_employment&oldid=452603#Employment_in_high-tech_sectors

[28] Source: Eurostat, HTEC_EMP_NAT2: Employment in technology and knowledge-intensive sectors at the national level.

[29] See https://www.gov.ie/en/press-release/d9cdd-skills-research-partnership-between-the-department-and-esri-announced-by-minister-harris/

market.[29] Furthermore, higher education institutions in Ireland appear to be adapting their curricula to the changing labour market. For example, in 2019 DCU launched Ireland's first Masters programme in Blockchain.[30] In addition, several Irish universities offer courses on artificial intelligence and automation. Provision of relevant education and training can mitigate the potential adverse consequences of changing technologies, while also allowing young people to take advantage of emerging opportunities. Therefore, the adaptability of the education and training system will help determine the impact of technological change on NEETs.

5.2 Green Economy

The green economy is a broad concept which is linked to sustainability and is often used interchangeably with the term "green growth" (Loiseau *et al*., 2016). It is described as being "low carbon, resource efficient and socially inclusive" (UNEP, 2011, p.2). By promoting green jobs for young people through national employment policies, the transition to the green economy has the potential to reduce NEET rates across the world (ILO, 2019a). One estimate from the United Nations Environment Programme suggests that an additional 60 million new jobs could be created by 2030 in the transition to a green economy (Nishimura and Rowe, 2021). However, the success of the green transition in providing youth employment is conditional on providing the relevant skills and training (Cedefop, 2021), as jobs in the renewable energy sector require higher skills and qualifications compared to jobs in carbon intensive industries (Consoli *et al*., 2016).

While there are potential opportunities for NEETs in the transition to the green economy, there are also significant challenges, underscoring the need for effective policies and funding to support workers during this transition. Some studies even estimate that the rate of employment creation will not replace the number of jobs lost (OECD, 2021). Job losses will be concentrated in regions that are heavily reliant on fossil fuel extraction and carbon intensive activities, with workers facing periods of temporary unemployment due to decarbonisation (Jacob, 2015). Claeys *et al*. (2019) propose using the European Globalisation Fund (EGF) to support regions that experience job loss due to decarbonisation. The EGF is designed to support workers who lose their jobs because of major structural changes associated with globalisation. In recent years, the scope of the fund has been broadened. In 2009 it was used to support workers that were adversely affected by the Great Recession, and in 2014 it was broadened to include NEETs as a category of workers that are eligible for support. The EGF Regulations for 2021-2027 specifically include job losses due to "transition to a low-carbon economy" as an eligibility criterion. A recent example of this occurred in the Spanish coal-mining region of Castilla y León, where 339 coal workers lost their jobs (Claeys *et al*., 2019). Spain applied for, and received, funding from the EGF to help redundant coal miners and young

[30] See https://www.dcu.ie/news/news/2019/05/launch-of-countrys-first-masters-in-blockchain-distributed-ledger-technologies

NEETs in the region to find new jobs. Therefore, targeting funding to areas experiencing decarbonisation in Europe could alleviate the adverse labour market consequences, while also providing new opportunities and training for NEETs in these regions.

Wolf *et al*. (2021) suggest that the efficient use of public investment such as the European Green Deal (EGD) can create additional employment, output and welfare. They argue for the targeting of EGD investment to countries with high unemployment rates. They use the example of Greece which struggles with high rates of youth unemployment. They calculate that if €13 billion of public investment was targeted towards Greece, employment would increase by 1.2 per cent, roughly 270,000 jobs over two years.

5.3 Coworking Spaces

Coworking spaces are flexible physical locations where individuals or companies can work alongside other professionals. Individuals using such spaces typically access a shared infrastructure, with flexible usage options for meeting rooms, fixed desk spaces or "hot desks" where the co-worker chooses a different desk each day (Kremkau *et al*., 2021). Coworking spaces emerged in the early 2000s as an informal space to merge the traditional office environment with the freedom of independent work to prevent isolation (de Peuter *et al*., 2017). They have been gaining traction over the last decade, powered by the expansion of ICT-enabled work (Avdikos and Papageorgiou, 2021). In 2017, the European Commission noted, "as the concept of employee and place of work begins to change and become more fluid, there has been a global rise of "coworking spaces".[31] Due to the COVID-19 pandemic and the associated rise in remote working, coworking spaces now appear to be more important than at any previous point in time, as reflected by recent policy developments in this area (see Avdikos and Papageorgiou (2021) and Kremkau *et al*. (2021) for reviews).

While in the past, coworking spaces have generally been targeted towards urban areas (DuPriest, 2019), there is now greater focus on rural areas to address narrow labour market opportunities and limited access to services (Eurostat, 2021; Carr and Kefalas, 2009).[32] Again, this is reflected in recent policy developments, such as The European Rural Coworking Project, which is an initiative of the European Coworking Assembly that seeks to map and connect the community of rural coworking spaces in Europe.[33]

Coworking spaces have the potential to provide important opportunities for NEETs. They are a useful infrastructure to equip NEETs with digital and entrepreneurial skills which they may be lacking (Avdikos and Papageorgiou, 2021)

[31] See https://blogs.ec.europa.eu/promotingenterprise/coworking-spaces/

[32] See https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Population_statistics_at_regional_level

[33] See https://ruralcoworking.coworkingassembly.eu/

and to potentially facilitate self-employment among the unemployed (Bouncken and Reuschl, 2018). They could also be a solution to offset the lack of interactions and social capital of young, home-based female entrepreneurs (Rodríguez-Modrono, 2021). In related work, Neagu *et al*. (2021) examines the impact of ICT on NEETs in rural areas. Their focus is on Bulgaria, Romania and Turkey, three countries that are characterised by a high number of rural areas and a high number of NEETs. Part of the role of ICT is to enable virtual mobility in terms of remote work and the remote acquisition of education and skills. Rural NEETs in the countries studied have low levels of digital skills compared to their urban counterparts, which is attributable to low levels of education. Facilitating "digital inclusion" for rural NEETs, through the provision of equipment, infrastructure and training, could offer potential opportunities for increased educational attainment and improved job opportunities, while preventing depopulation of rural communities.

As many coworking policies are new, and given the interest in them has just started to peak in recent years, there is a lack of empirical evidence evaluating their usefulness. As such, further developing the evidence base in this area is a useful avenue for future research (Bouncken and Reuschl, 2018; Nakano *et al*., 2020).

5.4 Sharing and Platform Economy

The idea of a "sharing economy" is a relatively new term. As such, there is often a lack of consistency and clarity in defining the sharing economy. This is compounded by the fact that the term "sharing economy" is often used interchangeably with other terms such as "platform economy", "gig economy" or "collaborative economy". Irrespective of the terminology, most individuals have some familiarity with digital labour platforms. Common examples include Airbnb, Uber, Lyft and Deliveroo. However, there is a lot more to the platform economy than this small number of well-known and widely used applications. Mehta (2020) and De Stefano (2016) list two work models associated with the platform economy: (a) crowd work or online freelance work, known as the digital gig economy (e.g., software developers, translators, data scientists) and (b) work on-demand via an app known as physical gig economy (e.g., transport, food delivery, cleaning services). Pesole *et al*. (2018) use three groupings for the provision of labour via digital platforms: (i) online freelancing platforms for organisations to access high skilled workers (e.g., Upwork), (ii) microwork platforms that match individuals to small tasks (e.g., Amazon Mechanical Turk) and (iii) platforms for physical services (e.g., Uber). Category (i) typically involves high skilled workers, while categories (ii) and (iii) generally involve lower skill requirements.

The sharing economy may provide a potential source of employment for NEETs in Europe. Pissourios *et al*. (2021) examine whether short-term rentals (STR) operated through sharing platforms (e.g., Airbnb) can provide viable employment opportunities to NEETs in Spain, Italy, Greece and Cyprus. The focus is on low-

skilled women and migrants aged 25-29, due to the increased risk of NEET status among these groups. It is suggested that the internet-based nature of such jobs, and the flexibility, may suit younger people and women who have caring responsibilities. While there appears to be some potential for employment opportunities for NEETs, it is somewhat limited at present. Only firms that own/manage large numbers of properties are able to hire NEETs, while smaller scale service providers are not able to provide sustainable employment. The prospects for NEETs in this sector could be improved by providing a mediator function to match NEETs with prospective employers. Training and mentorship in relevant areas could also improve the prospects for NEETs in this industry.

The recent disruption to labour markets throughout the world due to the COVID-19 pandemic may impact the nature and prevalence of platform work. According to Shin (2022), the pandemic contributed to the rapid rise of platform labour in the service industry in South Korea. This coincided with an increase in NEETs, primarily due to female workers with children being driven out of the labour market. It is possible that the flexibility of increased platform work may suit women that have recently left employment. However, Shin (2022) warns that such workers remain outside of social protections.

There is a general lack of data relating to platform workers in Europe, thereby limiting the ability to fully analyse its potential impact on NEETs. However, there have been notable developments in recent years. The European Commission's Joint Research Centre (JRC) conducted the COLLEEM pilot survey in 2017 to gather quantitative evidence on platform work in 14 EU Member States. It found that about 2 per cent of the adult population earns 50 per cent or more of their income via platform work and/or work via platforms for more than 20 hours per week. The incidence of platform work was relatively high in the UK, Germany, the Netherlands, Spain, Portugal and Italy, but low in Finland, Sweden, France, Hungary and Slovakia. The typical European platform worker is a young male, educated to degree level. The results indicate that, "despite conventional wisdom", a typical platform worker is likely to have a family and children. Platform workers are also found to have less labour market experience. The type of services provided varies by gender – "software development" and "transport" are male dominated, while "translation" and "on-location services" are female dominated. The report highlights concern around the lack of clarity relating to the official employment status of platform workers, highlighting that even the workers themselves appear unclear about their status.

VI CONCLUSION

Young people in Europe have faced significant labour market challenges in recent years. This was amplified by the Great Recession, which resulted in a dramatic

increase in the percentage of young people (aged less than 29) not in employment, education or training (NEET). By 2013, over 15 per cent of those aged 15-29 in the EU27 were NEETs. However, certain countries were impacted to a greater extent than others. In 2011, Greece, Italy, Spain and Ireland all recorded a NEET rate in excess of 20 per cent. The rate of increase in Ireland was particularly severe, with the NEET rate doubling in five years (from 2007 to 2011), while the highest NEET rate, at just under 30 per cent, was recorded in Greece in 2013. The percentage of NEETs across the EU has been declining over the last decade. However, it remains stubbornly high in countries such as Italy and Greece, who recorded NEET rates of 23 per cent and 17 per cent, respectively, in 2021. This has important implications for policy, due to the wide range of negative consequences facing this group. In this paper, we reviewed a large body of evidence that showed NEETs face disadvantage across a number of dimensions including; increased risk of poverty; scarring effects from unemployment; reduced future wages; poorer health; social isolation and exclusion.

NEETs are a highly diverse group, consisting of individuals with varying levels of labour market disadvantage. On the one hand, short-term unemployed young people with high levels of education may not be of major concern to policymakers. However, others are further removed from the labour market and face greater risks in terms of welfare dependency, poverty and long-term inactivity. This includes, for example, lone mothers, discouraged workers and young people that are long-term unemployed (more than 12 months). Given the diverse nature of NEETs, different policies are required for different subgroups.

Reducing the number of NEETs is a major policy objective in the EU, and this is supported by a significant amount of funding. The target of the European Pillar of Social Rights Action Plan is to reduce the NEET rate to 9 per cent by 2030. Achieving this objective depends on the success of policies targeting NEETs. We provided a comprehensive overview of the literature relating to policies targeting NEETs and young people. In general, a one-size-fits-all policy approach cannot be applied to this heterogeneous group. There are, however, some fundamental policy requirements that should be viewed as essential irrespective of the type of NEET under consideration. Firstly, successful policies require a well-functioning and resourced public employment service. The availability of adequate and affordable childcare is also a key requirement. This is particularly important because approximately one quarter of NEETs are young people with caring responsibilities, a high percentage of which are young, single mothers.

For unemployed NEETs, job search assistance has been consistently found to be associated with positive employment effects. The evidence on training is mixed. While classroom-based training often has a positive impact on employment, the benefit of on-the-job training is largely confined to the most disadvantaged unemployed people, with a potentially negative impact on highly-educated unemployed people. Self-employment and entrepreneurship schemes have been

shown to have positive impacts, with some evidence indicating more success for males and highly educated individuals. Conversely, public employment programmes have consistently been found to be ineffective.

Other policy approaches may be required for young, lone mothers that are far from the labour market, and for which the usual ALMPs may not be effective. This group are often highlighted as being particularly at risk of poverty, long-term economic inactivity and welfare dependency. There are recent examples of policies that have resulted in positive employment and earnings impacts for lone mothers. For example, several countries have recently introduced reforms to lone parent benefits to combat long-term welfare dependency. Such measures have resulted in single mothers increasing their employment, hours worked and earnings. Again, it is important to point out that the success of such policies depends on access to quality and affordable childcare.

We reviewed four emerging trends in the labour market that are likely to have an impact on NEETs. While the evidence base on NEETs is generally less developed in these areas, recent years have seen an increase in attention by scholars and policymakers alike. The areas we consider are: the impact of technological change, the green economy, co-working spaces and the platform/sharing economy. While technological change may pose some risk to young people's jobs, it also presents opportunities for new and better jobs, provided the correct training and education is in place. The transition to the green economy will present both opportunities and risks for NEETs. There will be increased opportunities for employment in "green jobs". For example, the green economy has been highlighted as a potential avenue for tackling youth unemployment through the creation of millions of green jobs. However, this is likely to require large scale re-training and upskilling programmes, as jobs in the green sector typically require higher skills and qualifications than jobs in the traditional carbon-intensive industry. A core issue that has been identified in the transition to the green economy is that funding needs to be available to support individuals and businesses to implement green initiatives. This is particularly important as, without upskilling opportunities, many young people in carbon-intensive industries face the risk of job loss due to the green transition, which could exacerbate NEET rates. The European Green Deal presents opportunities in this regard, particularly if targeted towards countries with high unemployment rates. It has been suggested, for example, that if €13 billion of public investment was targeted towards Greece, employment would increase by 1.2 per cent, roughly 270,000 jobs over two years. The European Globalisation Fund may also be a useful form of funding, and this has been used in areas of Spain in which young people were at risk due to the loss of coal-mining jobs.

The issue of co-working spaces is attracting significant attention against a backdrop of increased remote working due to the COVID-19 pandemic. National and international policies are being adopted to promote and develop co-working spaces, especially in rural areas. These have the potential to equip NEETs with

digital and entrepreneurial skills which they may be lacking, as well as facilitating self-employment among the unemployed. The existing evidence also suggests they may offer a solution to offset the lack of interactions and social capital of young, home-based female entrepreneurs. Rural co-working spaces may also help to prevent "brain-drain" from rural to urban areas. The flexibility offered by the platform economy may present employment opportunities for NEETs, and in particular, young mothers. For example, there is some evidence to suggest that short-term rental platforms, such as Airbnb, may provide employment opportunities for NEETs in Spain, Italy, Greece and Cyprus. However, currently these opportunities appear limited as most short-term rental property owners operate on a small scale and do not hire employees.

In summary, while NEET rates today are generally much lower than they were immediately following the Great Recession, they remain persistently high, especially in countries such as Greece and Italy. Policymakers need to be conscious of the large degree of heterogeneity within this group, and tailor policies accordingly. There should be ongoing evaluation of the potential opportunities, and risks, posed to NEETs by emerging labour market trends, such as technological change, increased remote working, decarbonisation and the platform economy. Policies to encourage and promote the positive aspects of these trends could lead to new opportunities for NEETs in Europe, while also helping to tackle broader societal issues such as depopulation and brain drain from rural areas.

REFERENCES

Acemoglu, D. and P. Restrepo (2018). "Artificial Intelligence, Automation and Work". NBER Working Paper No. 24196.

Almeida, R. and E. Galasso (2007). "Jump-Starting Self-Employment? Evidence Among Welfare Participants In Argentina". World Bank Policy Research Working Paper, (4270).

Anand, P., L. Dague and K. L. Wagner (2022). "The Role of Paid Family Leave in Labor Supply Responses to a Spouse's Disability or Health Shock", *Journal of Health Economics*, 83, p. 102621.

Arntz, M., T. Gregory and U. Zierahn (2017). "Revisiting the Risk of Automation", *Economics Letters,* 159: 157–160.

Avagianou, A., T. Kizoes and S. Gialis (2022). "Young NEETs in the EU South: Socio-spatial and Gender Divisions in Between the Great Recession and the Covid-19 pandemic", *Geografisk Tidsskrift-Danish Journal of Geography*, DOI: 10. 1080/00167223. 2022. 2068636.

Avdikos, V. and A. Papageorgiou (2021). "Public Support for Collaborative Workspaces: Dispersed Help to a Place-Based Phenomenon?", *Local Economy*, 36(7-8), pp. 669-682.

Avram, S., M. Brewer and A. Salvatori (2018). "Can't Work or Won't Work: Quasi-Experimental Evidence on Work Search Requirements for Single Parents", *Labour Economics*, 51, pp. 63-85.

Bacher, J., C. Koblbauer, H. Leitgöb and D. Tamesberger (2017). "Small Differences Matter: How Regional Distinctions in Educational and Labour Market Policy Account for Heterogeneity in NEET Rates", *Journal for Labour Market Research*, 51(4), pp. 1-20.

Belfield, C. R., H. M. Levin and R. Rosen (2012). *The Economic Value of Opportunity Youth (ED528650)*. Corporation for National and Community Service, Washington.

Bell, D. N. and D. G. Blanchflower (2015). "Youth Unemployment in Greece: Measuring the Challenge", *IZA Journal of European Labour Studies*, 4(1), pp. 1-25.

Belot, M. and J. Van Ours (2001). "Unemployment and Labor Market Institutions: An Empirical Analysis", *Journal of the Japanese and International Economies*,15, pp. 403-418.

Bond, G. R., R. E. Drake and D. R. Becker (2020). "An Update on Individual Placement and Support", *World Psychiatry*, 19(3), pp. 390-391.

Bouncken, R. B. and A. J. Reuschl (2018). "Coworking-spaces: How a Phenomenon of the Sharing Economy Builds a Novel Trend for the Workplace and for Entrepreneurship", *Review of Managerial Science*, 12(1), pp. 317-334.

Braga, B., B. A. Butrica, S. Mudrazija and H. E. Peters (2022). "Impacts of State Paid Family Leave Policies for Older Workers with Spouses or Parents in Poor Health". IZA Discussion paper No. 15007.

Bray, J. W., B. Depro, D. McMahon, M. Siegle and L. Mobley (2016). "Disconnected Geography: A Spatial Analysis of Disconnected Youth in the United States", *Journal of Labor Research*, 37(3), pp. 317-342.

Brown, A. J. G. and J. Koettl (2015). "Active Labor Market Programs – Employment Gain or Fiscal Drain?", *IZA Journal of Labor Economics*, 4(12), pp. 1- 36.

Caliendo, M. and S. Künn (2011). "Start-up Subsidies for the Unemployed: Long-Term Evidence and Effect Heterogeneity". DIW Discussion Papers, No. 985. Deutsches Institut für Wirtschaftsforschung (DIW), Berlin.

Caliendo, M. and R. Schmidl (2016). "Youth Unemployment and Active Labour Market Policies in Europe", *IZA Journal of Labour Policy*, 5(1), pp. 1-30.

Cammeraat, E., E. Jongen and P. Koning (2022). "Preventing NEETs During the Great Recession: The Effects of Mandatory Activation Programs for Young Welfare Recipients", *Empirical Economics*, 62 (2), pp. 749-777.

Carcillo, S., R. Fernández, S. Königs and A. Minea (2015). "NEET Youth in the Aftermath of the Crisis: Challenges and Policies". OECD Social, Employment, and Migration Working Papers, No. 164. OECD Publishing, Paris.

Card, D. (2019). "Introduction: A Good Start? Determinants of Initial Labor Market Success", *Journal of Labor Economics*, 37 (S1), pp. S1-S9.

Card, D., J. Kluve and A. Weber (2018). "What Works? A Meta Analysis of Recent Active Labor Market Program Evaluations", *Journal of the European Economic Association*, 16 (3), pp. 894-931.

Carr, P. J. and M. J. Kefalas (2009). *Hollowing Out the Middle: The Rural Brain Drain and What it Means for America*. Beacon press.

Cazes, S., S. Verick and C. Heuer (2009). "Labour Market Policies in Times of Crisis". Employment Working Paper No. 35. International Labour Office, Geneva.

Cedefop (2021). *The Green Employment and Skills Transformation: Insights from a European Green Deal Skills Forecast Scenario*. Publications Office of the European Union, Luxembourg.

Cefalo, R., R. Scandurra and Y. Kazepov (2020). "Youth Labour Market Integration in European Regions", *Sustainability*, 12(9), 3813.

Choudhry, E., E. Marelli and M. Signorelli (2012). "Youth Unemployment and the Impact of Financial Crises", *International Journal of Manpower*, 33, pp. 76–95.

Claeys, G., S. Tagliapietra and G. Zachmann (2019). *How to Make the European Green Deal Work*. Brussels, Belgium: Bruegel.

Coleman, N., W. Sykes and C. Groom (2013). *Barriers to employment and unfair treatment at work: a quantitative analysis of disabled people's experiences.* Research report no. 88. Equality and Human Rights Commission, Manchester.

Connelly, R. (1992). "The Effect of Child Care Costs on Married Women's Labor Force Participation", *The Review of Economics and Statistics*, 74 (1), pp. 83-90.

Consoli, D., G. Marin, A. Marzucchi and F. Vona (2016). "Do Green Jobs Differ from Non-Green Jobs in Terms of Skills and Human Capital?", *Research Policy*, 45(5), pp. 1046-1060.

Coppola, G. and N. O'Higgins (2015). *Youth and the Crisis: Unemployment, Education and Health in Europe.* Routledge, Oxon.

Cornaglia, F., E. Crivellaro and S. McNally (2015). "Mental health and education decisions", *Labour Economics*, 33, pp. 1-12.

COST (2022). *COST CA18213 Rural NEET Youth Policy Brief - Application of the Intervention: Best-Practices with Rural NEETs*. COST (European Cooperation in Science and Technology), Brussels.

Cronin, H., A. Ferrara, A. Geraci, S. Hardiman, C. Judge, G. Mazzarella and G. Santangelo (2020). *JobsPlus Evaluation*. JRC Technical Report. Luxembourg: Publications Office of the European Union.

de Peuter, G., N. S. Cohen and F. Saraco (2017). "The Ambivalence of Coworking: On the Politics of an Emerging Work Practice", *European Journal of Cultural Studies*, 20(6), pp. 687-706.

De Stefano, V. (2016). "The Rise of the "Just-in-time Workforce": On-demand Work, Crowdwork and Labour Protection in the "Gig Economy", *Conditions of Work and Employment*, Series No. 71. International Labour Office, Geneva.

Department of Employment Affairs and Social Protection (2019). *Statistical Information on Social Welfare Services, Annual Report 2019*. Dublin: Department of Employment Affairs and Social Protection.

Dewson, S., D. Hill, N. Meager and R. Willison (2009). *Evaluation of Access to Work: Core Evaluation.* Research Report No 619. Department for Work and Pensions, London.

Dicks, A., M. Levels, R. van der Velden and M. C. Mills (2021). "How Young Mothers Rely on Kin Networks and Formal Childcare to Avoid Becoming NEET in the Netherlands", *Frontiers in Sociology*, 6, 787532.

Dingeldey, I., L. Steinberg and M. L. Assmann (2019). "Chapter 9: Horizontal and Vertical Coordination of the European Youth Guarantee", in Hvinden, B., Hyggen, C., Schoyen, M. A. and Sirovátka, T. (eds.) *Youth Unemployment and Job Insecurity in Europe.* Edward Elgar Publishing, Cheltenham.

Drakaki, M., N. Papadakis, A. Kyridis and A. Papargyris (2014). "Who's the Greek NEET? NEETS' Profile in Greece: Parameters, Trends and Common Characteristics of a Heterogeneous Group", *International Journal of Humanities and Social Science*, 4(6), pp. 240-254.

DuPriest, L. (2019). "Coworking Spaces in LaPaz, Bolivia: Urban Effects and Potential Creation of New Opportunities for Local Economic Development". Development Research Working Paper Series No. 07/2019. Institute for Advanced Development Studies.

Eichhorst, W. and U. Rinne (2015). *Promoting Youth Employment Through Activation Strategies*. IZA Research Report No. 65. International Labour Office, Geneva.

Escudero, V. and E. Lopez Mourelo (2015). "The Youth Guarantee Programme in Europe: Features, Implementation and Challenges". Research Department Working Paper No. 4. International Labour Office, Geneva.

Escudero, V. and E. López Mourelo (2017). "The European Youth Guarantee: A Systematic Review of its Implementation Across Countries". ILO Working Paper No. 21. International Labour Office, Geneva.

Eurofound (2012). *NEETs – Young People not in Employment, Education or Training: Characteristics, Costs And Policy Responses in Europe*, Publications Office of the European Union, Luxembourg.

Eurofound (2016). *Exploring the Diversity of NEETs.* Publications Office of the European Union, Luxembourg.

Eurofound (2017). *Reactivate: Employment Opportunities for Economically Inactive People*. Publications Office of the European Union, Luxembourg.

Eurofound (2021). *Impact of Covid-19 on Young People in the EU*. Publications Office of the European Union, Luxembourg.

European Commission (2020a). *Council Recommendation on A Bridge to Jobs – Reinforcing the Youth Guarantee and Replacing the Council Recommendation of 22 April 2013 on Establishing a Youth Guarantee.*

European Commission (2020b). *Youth Employment Support: a Bridge to Jobs for the Next Generation*. COM(2020) 276.

European Commission (2021). *European Alliance for Apprenticeships: Action Plan 2022.* Publications Office of the European Union, Luxembourg.

Eurostat (2021). *Population Projections: Urban Growth, Rural Decline*. Eurostat, Luxembourg.

Eurostat (2022). *Labour Force Survey.* Eurostat, Luxembourg.

Fahle, S. and K. McGarry (2018). "Caregiving and Work: The Relationship Between Labor Market Attachment and Parental Caregiving", *Innovation in Aging*, 2(Suppl 1), pp. 580-580.

Farré, L. and L. González (2017). *The Effects of Paternity Leave on Fertility and Labour Market Outcomes*. IZA Institute of Labour Economics, Bonn.

Feng, Z., D. Everington, K. Ralston, C. Dibben, G. Raab and E. Graham (2015). *Consequences, Risk Factors, and Geography of Young People not in Education, Employment or Training (NEET).* The Scottish Government, Edinburgh.

Figgou, L., M. Sourvinou, C. Athanasiades, V. Moiso and R. Musumeci (2021). "Unemployment and Job Precariousness: Material and Social Consequences for Greek and Italian Youth", in Unt, M., Gebel, M., Bertolini, S., Deliyanni-Kouimtzi, V. and Hofäcker, D. (eds.) *Social Exclusion of Youth in Europe: The Multifaceted Consequences of Labour Market Insecurity.* Bristol University Press, Bristol, pp. 315-339.

Flisi, S., V. Goglio, E. C. Meroni and E. Vera-Toscano (2015). *School-to-work Transition of Young Individuals: What Can the ELET and NEET Indicators Tell Us?* Publications Office of the European Union, Luxembourg.

Fossen, F. M., and A. Sorgner (2019). "New Digital Technologies and Heterogeneous Employment and Wage Dynamics in the United States: Evidence from Individual-Level Data". IZA Discussion Paper No. 12242.

Frey, C. and M. Osborne (2013). *The Future of Employment: How Susceptible are Jobs to Computerisation*. University of Oxford Working Paper.

Froy, F. and L. Pyne (2011). *Ensuring Labour Market Success for Ethnic Minority and Immigrant Youth.* OECD Local Economic and Employment Development (LEED) Papers, No. 2011/09, OECD Publishing, Paris.

Furlong, A. (2006). "Not a Very NEET Solution: Representing Problematic Labour Market Transitions Among Early School-leavers", *Work, employment and society*, 20 (3), pp. 553-569.

Goldman-Mellor, S., A. Caspi, L. Arseneault, N. Ajala, A. Ambler, A. Danese, H. Fisher, A. Hucker, C. Odgers, T. Williams and C. Wong (2016). "Committed to Work but Vulnerable: Self-perceptions and Mental Health in NEET 18-year Olds from a Contemporary British Cohort", *Journal of Child Psychology and Psychiatry*, 57(2), pp. 196-203.

Gong, X. and R. Breunig (2014). "Channels of Labour Supply Responses of Lone Parents to Changed Work Incentives", *Oxford Economic Papers*, 66(4), pp. 916-939.

Graetz, G. and G. Michaels (2018). "Robots at Work", *The Review of Economics and Statistics,* 100 (5), pp. 753-768.

Hegewisch, A. and J. C. Gornick (2011). "The Impact of Work-family Policies on Women's Employment: A Review of Research from OECD Countries", *Community, Work & Family*, 14(2), pp. 119-138.

ILO (2019a). *Promoting Green Jobs for Youth Through National Employment Policies and Programmes.* International Labour Organisation Youth Employment Programme, Geneva.

ILO (2019b). *Quality Apprenticeships: Addressing Skills Mismatch and Youth Unemployment.* International Labour Organisation – Skills and Employability Branch, Geneva.
ILO (2020). *Global Employment Trends for Youth 2020.* International Labour Organisation, Geneva.
Indecon (2016). *Indecon Evaluation of JobBridge Activation Programme*. Dublin: Indecon.
Jacob, K. (2015). *Green Jobs: Impacts of a Green Economy on Employment.* Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Bonn.
Jones, M. (2010). "Disability, Education and Training", *Economic & Labour Market Review*, 4(4), pp. 32-37.
Jones, M. K and P. L. Latreille (2011). "Disability and Self-Employment: Evidence for the UK", *Applied Economics*, 43(27), pp. 4161-4178.
Karanassios, N., M. Pazarskis, K. Mitsopoulos and P. Christodoulou (2006). "EU Strategies to Encourage Youth Entrepreneurship: Evidence from Higher Education in Greece", *Industry and Higher Education*, 20(1), pp. 43-50.
Karanikola, Z. and G. Panagiotopoulos (2020). "Coherence of Adult Learning Policies in Different Levels and Types", in Apostolopoulos, N. and Papazoglou, M. (eds.) *The Impact of EU Structural and Investment Funds on Greece (1981-2019): Successes, Failures, Lessons Learned and Comparisons with Other EU Members.* University of the Peloponnese, Athens. pp. 288-297.
Kelly E., S. McGuinness and P. J. O'Connell (2011). *What Can Active Labour Market Policies Do?* Renewal Series Paper 1. Dublin: The Economic and Social Research Institute.
Kelly, E. and S. McGuinness (2015). "Impact of the Great Recession on unemployed and NEET Individuals' Labour Market Transitions in Ireland", *Economic Systems*, 39(1), pp. 59-71.
Kelly, E., S. McGuinness and P. J. O'Connell (2013). "Do Active Labour Market Policies Activate?", in Lunn, P. and Ruane, F. (eds) *Using Evidence to Inform Policy*. Dublin: Gill & Macmillan, pp. 118-139.
Kelly, E., S. McGuinness and J. R. Walsh (2015). *An Evaluation of the Back to Education Allowance*. ESRI Research Series No. 47. Dublin: The Economic and Social Research Institute.
Kelly, E., S. McGuinness, P. Redmond, M. Savage and J. R. Walsh (2019). *An Initial Evaluation of the Effectiveness of Intreo Activation Reforms*. Dublin: Economic and Social Research Institute.
Kevelson, M. J., G. Marconi, C. M. Millett and N. Zhelyazkova (2020). "College Educated Yet Disconnected: Exploring Disconnection from Education and Employment in OECD Countries, with a Comparative Focus on the US', *ETS Research Report Series*, pp. 1-29. ETS Policy Evaluation & Research Center, New Jersey.
Kluve, J. (2010). "The Effectiveness of European Active Labor Market Programs", *Labour Economics*, 17(6), pp. 904-918.
Knabe, A. and S. Rätzel (2011). "Scarring or Scaring? The Psychological Impact of Past Unemployment and Future Unemployment Risk", *Economica,* 78(310), pp. 283-293.
Kougias, K. (2019). "Youth-oriented Active Labour Market Policies and Economic Crisis: Explaining Policy Effect in Greece and Portugal", *International Social Security Review*, 72(4), pp. 79-105.
Kremkau, T., A. Schmeid and J. Voll (2021). *Rural Coworking in Europe: Status Quo, as far as We Know*. Green Paper and Country Reports. Germany: Bertelsmann Stiftung.
Lawlor, D. (2021). *Youth Unemployment Rates,* Oireachtas Library and Research Service, Ireland.
Lim, J. Y. and Y. M. Lee (2019). "Exit Duration and Unemployment Determinants for Korean Graduates", *Journal for Labour Market Research*, 53(5), pp. 1-14.
Lindbeck, A. and D. J. Snower (2001). "Insiders Versus Outsiders", J*ournal of Economic Perspectives*, 15(1), pp. 165-188.
Loiseau, E., L. Saikku, R. Antikainen, N. Droste, B. Hansjürgens, K. Pitkänen, P. Leskinen, P. Kuikman and M. Thomsen (2016). "Green economy and related concepts: An overview", *Journal of Cleaner Production*, 139, pp. 361-371.
Maguire, S. (2018). "Who Cares? Exploring Economic Inactivity Among Young Women in the NEET Group across England", *Journal of Education and Work*, 31 (7–8), pp. 660-675.

Malo, M. A., C. Mussida, B. Cuetoand and M. Baussola (2021). "Being a NEET Before and After the Great Recession: Persistence by Gender in Southern Europe", *Socio-Economic Review*, doi: 10. 1093/ser/mwab043.

Marelli, E. and M. Signorelli (2022). "Young People and the Labour Market – Challenges and Opportunities: An Introduction", *Merits*, 2, pp. 59-61.

Martin, J. P. (2015). "Activation and Active Labour Market Policies in OECD Countries: Stylised Facts and Evidence on Their Effectiveness", *IZA Journal of Labor Policy*, 4(1), pp. 1-29.

Martin, J. P. and D. Grubb (2001). "What Works and for Whom: A Review of OECD Countries' Experiences With Active Labour Market Policies", *Swedish Economic Policy Review*, 8(2), pp. 9-56.

Mascherini, M. (2018). "Origins and Future of the Concept of NEETs in the European Policy Agenda", in O'Reilly, J., J. Leschke, R. Ortlieb, M. Seeleib-Kaiser and P. Villa (eds.) *Youth Labor in Transition*. Oxford University Press, Oxford, pp. 503-529.

Matsaganis, M. (2015). "Youth Unemployment and the Great Recession in Greece", in Dolado, J. (ed.) *No Country for Young People? Youth Labour Market Problems in Europe.* CEPR Press, London, pp. 77-87.

Mawn, L., E. J. Oliver, N. Akhter, C. L. Bambra, C. Torgerson, C. Bridle and H. J. Stain (2017). "Are We Failing Young People not in Employment, Education or Training (NEETs)? A Systematic Review and Meta-Analysis of Re-engagement Interventions", *Systematic reviews*, 6(1), pp. 1-17.

McGuinness, S., P. J. O'Connell and E. Kelly (2014). "The Impact of Training Programme Type and Duration on the Employment Chances of the Unemployed in Ireland", *The Economic and Social Review*, 45(3), pp. 425-450.

McGuinness, S., P. J. O'Connell and E. Kelly (2019). "Carrots, No Stick, No Driver: The Employment Impact of Job Search Assistance in a Regime with Minimal Monitoring and Sanctions", *Journal of Labor Research*, 40(2), pp. 151-180.

McGuinness, S., K. Pouliakas and P. Redmond (2023). "Skills-Displacing Technological Change and its Impact on Jobs: Challenging Technological Alarmism?", *Economics of Innovation and New Technology*, 32(3), pp. 370-392.

Mehta, B. S. (2020). "Changing Nature of Work and the Gig Economy: Theory and Debate", *FIIB Business Review,* DOI: 10. 1177/2319714520968294.

Mendolia, S. and I. Walker (2015). "Youth Unemployment and personality Traits", *IZA Journal of Labor Economics*, 4 (1), pp. 1-26.

Murphy, L. (2022). *Not Working? Exploring Changing Trends in Youth Worklessness in the UK, from the 1990s to the Covid-19 Pandemic*. Resolution Foundation, London.

Nakano, D., M. Shiach, M. Koria, R. Vasques, E. G. dos Santos and T. Virani (2020). "Coworking Spaces in Urban Settings: Prospective Roles?", *Geoforum*, 115, pp. 135-137.

Neagu, G., M. Berigel and V. Lendzhova (2021). "How Digital Inclusion Increase Opportunities for Young People: Case of NEETs from Bulgaria, Romania and Turkey", *Sustainability*, 13(14), p. 7894.

Nedelkoska, L. and G. Quintini (2018). "Automation, Skills Use and Training". OECD Social, Employment and Migration Working Papers, No. 202. Paris: OECD Publishing.

Nishimura, M. and D. Rowe (2021). *Global Guidance for Education on Green Jobs: Connecting Higher Education and Green Opportunities for Planetary Health*. United Nations Environment Programme, Kenya.

Nunez, I. and I. Livanos (2010). "Higher Education and Unemployment in Europe: An Analysis of the Academic Subject and National Effects", *Higher Education*, 59(4), pp. 475-487.

O'Connell, P. J. (2002). "Are they Working? Market Orientation and the Effectiveness of Active Labour Market Programmes in Ireland", *European Sociological Review*, 18(1), pp. 65-83.

O'Connell, P. J., S. McGuinness, E. Kelly and J. R. Walsh (2009). *National Profiling of the Unemployed in Ireland.* ESRI Research Series No. 10. Dublin: Economic and Social Research Institute.

O'Higgins, N. (2012). "This Time it's Different? Youth Labour Markets During 'The Great Recession'", *Comparative Economic Studies*, 54 (2), pp. 395-412.

OECD (2009). *Tackling the Jobs Crisis. Helping Youth to Get a Firm Foothold in the Labour Market*, Paris: Organisation for Economic Cooperation and Development.

OECD (2014). *Local Implementation of Youth Guarantee: Emerging Lessons from European Experiences*. Paris: Organisation for Economic Cooperation and Development.

OECD (2015). *Adults, Computers and Problem Solving. What's the Problem?* Paris: Organisation for Economic Cooperation and Development.

OECD (2016). *Skills for a Digital World.* Paris: Organisation for Economic Cooperation and Development.

OECD (2018). *OECD Economic Surveys: Ireland 2018*. Paris: Organisation for Economic Cooperation and Development.

OECD (2021). "The Inequality-Environment Nexus: Towards a People-centred Green Transition", *OECD Green Growth Papers,* 2021-01. Paris: Organisation for Economic Cooperation and Development.

OECD and European Union (2020). *Policy Brief on Recent Developments in Youth Entrepreneurship.* Publications Office of the European Union, Luxembourg.

Olivetti, C. and B. Petrongolo (2017). "The Economic Consequences of Family Policies: Lessons from a Century of Legislation in High-Income Countries", *Journal of Economic Perspectives*, 31(1), pp. 205-230.

Parliamentary Budget Office (2018). *Active Labour Market Policies. Briefing Paper 10 of 2018.* Dublin: Parliamentary Budget Office.

Parsanoglou, D., A. Yfanti, C. Hyggen and L. P. Shi (2019). "Chapter 5: The Impact of Active Labour Market Policies on Employers' Evaluation of Young Unemployed: A Comparison Between Greece and Norway", in Hvinden, B., O'Reilly, J., Schoyen, M. A. and Hyggen, C. (eds.) *Negotiating Early Job Security*. Edward Elgar Publishing Ltd., Cheltenham. pp. 90-114.

Pastore, F. (2015a). "The European Youth Guarantee: Labor Market Context, Conditions and Opportunities in Italy", *IZA Journal of European Labor Studies*, 4(11), pp. 1-22.

Pastore, F. (2015b). *The Youth Experience Gap. Explaining National Differences in the School-to-Work Transition*. Cham: Springer.

Pastore, F. (2018). "Why is Youth Unemployment So High and Different Across Countries?", *IZA World of Labor*, 420. doi: 10. 15185/izawol. 420.

Pesole, A., M. C. Urzí Brancati, E. Fernández-Macías, F. Biagi and I. González Vázquez (2018). *Platform Workers in Europe*, EUR 29275 EN, Publications Office of the European Union, Luxembourg, 2018, ISBN 978-92-79-87996-8, doi:10. 2760/742789, JRC112157.

Petrescu, C., A. M. Ellena, M. Fernandes-Jesus and E. Marta (2022). "Using Evidence in Policies Addressing Rural NEETs: Common Patterns and Differences in Various EU Countries", *Youth & Society*, 54(2S), pp. 69S-88S.

Pissourios, I. A., S. Gialis and N. R. Anastasi (2021). "Employment Opportunities for NEETs in Short-Term Rentals Operated Through Sharing Platforms: A Case Study Across Spain, Italy, Greece and Cyprus", *Management Studies,* 9 (5): 341-354.

Ralston, K., D. Everington, Z. Feng and C. Dibben (2022). "Economic Inactivity, not in Employment, Education or Training (NEET) and Scarring: The Importance of NEET as a Marker of Long-Term Disadvantage", *Work, Employment and Society*, 36 (1): 59-79.

Rasalingam, A., I. Brekke, E. Dahl and S. Helseth (2021). "Impact of Growing Up With Somatic Long-Term Health Challenges on School Completion, NEET Status and Disability Pension: A Population-Based Longitudinal Study", *BMC Public Health*, 21 (1): 1-12.

Redmond, P., K. Ciprikis and E. Staffa (2023a). *Job Quality of Minimum Wage Workers*. ESRI Research Series, No. 165. Dublin: Economic and Social Research Institute.

Redmond, P., S. McGuinness and C. Keane (2023b). "The Impact of One-Parent Family Payment Reforms on the Labour Market Outcomes of Lone Parents", *Oxford Economic Papers*, 75 (2): 346-370.

Regan, M., C. Keane and J. R. Walsh (2018). *Lone-Parent Incomes and Work Incentives*. Economic and Social Research Institute, Dublin, Ireland.

Ripamonti, E. and S. Barberis (2021). "The Association of Economic and Cultural Capital with the NEET Rate: Differential Geographical and Temporal Patterns", *Journal for Labour Market Research,* 55(13), pp. 1-17.

Roantree, B., B. Maître, A. McTague and I. Privalko (2021). "Intergenerational Inequality", *Chapter 4 in Poverty, Income Inequality and Living Standards in Ireland*. Dublin: Economic and Social Research Institute.

Rodríguez-Modroño, P. (2021). "Non-standard Work in Unconventional Workspaces: Self-Employed Women in Home-Based Businesses and Coworking Spaces", *Urban Studies*, 58(11), pp. 2258-2275.

Ruiz-Valenzuela, J. (2020). "Intergenerational Effects of Employment Protection Reforms", *Labour Economics*, 62, p. 101774.

Ryan, P. (1998). "Is Apprenticeship Better? A Review of the Economic Evidence", *Journal of Vocational Education & Training*, 50(2), pp. 289-325.

Ryan, P. (2001). "The School-to-Work Transition: A Cross-National Perspective", *Journal of Economic Literature*, 39(1), pp. 34-92.

Schmillen, A. and M. Umkehrer (2017). "The Scars of Youth: Effects of Early-Career Unemployment on Future Unemployment Experience", *International Labour Review*, 156(3-4), pp. 465-494.

Shin, K. Y. (2022). "Work in the post-COVID-19 Pandemic: The Case of South Korea", *Globalizations,* 19(3), pp. 487-496.

Simões, F., E. Erdoğan, M. Muratović and D. Sik (2022). "Scrutinising the Exceptionalism of Young Rural NEETs: A Bibliometric Review", *Youth & Society,* 54(2S), pp. 8S-28S.

Šoltés, E., M. Vojtková and T. Šoltésová (2020). "Changes in the Geographical Distribution of Youth Poverty and Social Exclusion in EU Member Countries Between 2008 and 2017", *Moravian Geographical Reports,* 28(1), pp. 2-15.

Strandh, M., A. Winefield, K. Nilsson and A. Hammarstöm (2014). "Unemployment and Mental Health Scarring During the Life Course", *European Journal of Public Health*, 24(3), pp. 440-445.

UNEP (2011). *Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication – A Synthesis for Policy Makers*. United Nations Environment Programme, Kenya.

Van Roy, V., D. Vertesy and M. Vivarelli (2018). "Technology and Employment: Mass Unemployment or Job Creation? Empirical Evidence from European Patenting Firms", *Research Policy* 47, pp. 1762-1776.

Van Vugt, L., M. Levels and J. Jongbloed (2022). "How Long-Term NEET are Explained by Family Policies in OECD Countries", in Levels, M., Brzinsky-Fay, C., Holmes, C., Jongbloed, J. and Taki, H. (eds.) *The Dynamics of Marginalized Youth: Not in Education, Employment, or Training Around the World.* Routledge, Oxon. pp. 233-247.

Vukadin, M., F. G. Schaafsma, H. W. C. Michon, M. de Maaker-Berkhof and J. R. Anema (2021). "Experiences with Individual Placement and Support and employment – a Qualitative Study Among Clients and Employment Specialists", *BMC Psychiatry*, 21(1), pp. 181.

Waldfogel, J. and E. Liebman (2019). *Paid Family Care Leave: A Missing Piece in the US Social Insurance System*. Washington Center for Equitable Growth. http://www.Equitablegrowth.org/research-paper/paid-family-care-leave.

Whelan, A., J. Delaney, S. McGuinness and E. Smyth (2020). *Evaluation of SICAP Pre-Employment Supports*. ESRI Research Series, No. 109. Dublin: Economic and Social Research Institute.

Wolf, S., J. Teitge, J. Mielke, F. Schütze and C. Jaeger (2021). "The European Green Deal – More than Climate Neutrality", *Intereconomics*, 56, pp. 99-107.

Yates, S. and M. Payne (2006). "Not so NEET? A Critique of the Use of 'NEET' in Setting Targets for Interventions with Young People", *Journal of Youth Studies*, 9(3), pp. 329-344.

APPENDIX

Appendix Table 1: The Seven NEET Categories

NEET Category	*Seeking work during the last month*	*Available to start work within the next two weeks*	*Reason for not seeking or being available for work*
Short term (under 12 months)	Yes	Yes	N/A
Long term (over 12 months)	Yes	Yes	N/A
Illness/disability	Yes or No	No	Own illness or disability
Caring responsibilities	Yes or No	No	Caring responsibilities for another person e.g., looking after a child or elderly relative.
Other NEETs	Yes or No	No	Other answer or no reason provided
Re-entrants	Yes or No	No	Hired and awaiting to start work, or enrolled and awaiting to start education or training
Discouraged	No	No	Believe that there are no jobs for them

Source: Adapted from Eurofound, 2016.

Specific Examples

These examples are taken from the EU database of labour market practices[34] which compiles initiatives which were deemed successful in the report country.

Appendix Table 2: Policies Targeting NEETs and Youth Unemployment

Name	*Country*	*Aims and Actions*	*Outcomes*
Agencia de Activación Juvenil (Gijón Youth Activation Agency)	Spain	Provide job counselling and coaching, employability skills, facilitate internships and work placements with local employers.	Involved 300 NEETs between in its first two years of implementation (2014-2015). 60 per cent of these took part in an internship or work placement. 89 per cent of participants would recommend the programme and 40 per cent of all participants have successfully integrated into employment.
Contrato de apoyo a emprendedores (CAE) (Entrepreneur support contract)	Spain	Promote stable employment and reduce temporary employment rates by providing an open-ended contract with a longer probationary period. Can only be used by smaller firms (less than 50 employees). Firms that hire these individuals receive fiscal rebates. For example, hiring an individual under 30 would result in a €3,000 fiscal rebate. However, rebate is forfeited if job is not maintained for a minimum of three years unless justified.	Roughly 85,000 individuals under 30 received a contract between 2012 and 2014. 59 per cent of all contracts were still maintained a year after. 20 per cent of all permanent contracts by SMEs were CAE.

[34] See https://ec.europa.eu/social/main.jsp?catId=1080&langId=en&.

Table 2: Policies Targeting NEETs and Youth Unemployment (Contd.)

Name	*Country*	*Aims and Actions*	*Outcomes*
National Skills Database (NSD)	Ireland	Collect and manage data on the labour market, identifying supply and demand for skills. Forecasting future skill shortages and labour market conditions.	Has led to various publications, reports, studies, forecasts and research. Used by ALMPs to locate opportunities in specific sectors.
JobBridge	Ireland	Provided unemployed with work experience. Typically 6-9 month work internship. Participants retained social welfare entitlements and received a €50 weekly top up payment	An independent review in 2012-2013 found that 61 per cent had moved into employment at least five months after their internship. 72 per cent of interns were between the ages of 20 and 34.
Youthreach	Ireland	Targets early school leavers and encourages them to return to education or training. Those over 16 receive a training allowance and are eligible for childcare, travel and accommodation support.	Participants receive accreditation facilitating progression. There are almost 6,000 places available in over 100 centres.[35]
Επιταγή Εισόδου στην Αγορά Εργασίας για Ανέργους νέους ηλικίας έως 29 ετών (Voucher for the entry to the labour market of young unemployed up to 29 years of age)	Greece	Provide job opportunities and on the job training to unemployed youth. Theoretical training courses in addition to mentoring. Participants receive a grant for the duration of training and work placement. Subsidies are available to employers who hire trainees upon completion.	High rates of activated vouchers, up to 83 per cent. Very low drop-out rate of 2 per cent.

[35] See https://www.gov.ie/en/service/5666e9-youthreach/.

Table 2: Policies Targeting NEETs and Youth Unemployment (Contd.)

Name	*Country*	*Aims and Actions*	*Outcomes*
SELFIEmployment (Fondo Rotativo Nazionale), and "YES I Start Up" training course (SELFIEmployment micro loans for NEETs, and "YES I Start Up" training course)	Italy	"YES I Start Up" provides specialised training for prospective entrepreneurs. This is supplemented by SELFIEmployment which provides financial assistance between €5,000 and €50,000.	Just over 1,400 business plans have received funding totalling €45.8 million. In its first year, 'YES I start UP' provided 170 courses to over 800 trainees.

Source: EU Database of Labour Market Practices.

Appendix Table 3: Spending on Active Programmes Versus Passive Measures as a % of GDP: 2019 Data

Country	*Active programmes (% of GDP)*	*Passive measures (% of GDP)*
Australia	1.85	1.03
Austria	0.7	1.29
Belgium	0.92	1.08
Canada	0.41	0.5
Chile	0.11	0.39
Czechia	0.28	0.15
Denmark	1.88	0.95
Estonia	0.52	0.45
Finland	0.92	1.14
France	0.72	1.87
Germany	0.59	0.72
Hungary	0.58	0.21
Ireland	0.31	0.56
Israel	0.15	0.43
Italy	0.27	1.29
Japan	0.15	0.16
Korea	0.37	0.47
Latvia	0.15	0.42
Lithuania	0.21	0.43
Luxembourg	0.75	0.55
Netherlands	0.56	1.22
New Zealand	4.1	0.44
Norway	0.4	0.31
Poland	0.32	0.13
Portugal	0.39	0.86
Slovak Republic	0.23	0.33
Slovenia	0.2	0.37
Spain	0.69	1.52
Sweden	1.02	0.43
Switzerland	0.55	0.53
United States	2.61	0.82
OECD countries	0.72	0.65

Source: OECD.