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# **Becoming an Adult in Europe**

It's time to provide more cross-sectorial

support to young people

#### Key messages:

- Policy proposals for young Europeans should be based on a life course perspective. Challenges faced by individuals should be seen as a consequence of a series of intertwined life events that occur within particular policy, socio-economic and cultural contexts.
- Independence in young adulthood should be viewed as a multidimensional concept, which includes residential, economic and psychological independence.
- Securing employment for young people should remain a top priority on the European policy agenda. However, stable and well-paid jobs, and income protection should be promoted equally.
- In terms of housing, leaving the parental home does not mean that individuals have reached full residential independence. A stable and sustainable housing situation should be the target.
- Local initiatives supporting young people should be further promoted. These should be sensitive to individuals' gender, ethnicity and education.

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#### Introduction

Europe faces a challenge in supporting young people in becoming adults, i.e. in their pathway to independence. Despite the implementation of the Youth Employment Initiative in 2013, there are almost 17 million young people aged 20-34 across the 28 EU countries who are neither in employment nor in education and training (NEET) according to Eurostat. Furthermore, the share of those working who are in precarious and low-paid jobs is high. These trends will have an impact on the future work prospects of young people and increase their risks of poverty, social exclusion and mental health problems. They also generate substantive social and economic losses for European societies (Eurofound 2014). In addition, the ability of young adults to make a successful transition to adulthood is being undermined by increasing housing costs and government austerity measures, implying that young people are reliant upon their families for support longer. Therefore, it is fundamental to consider a wider range of policies that cut across traditional areas - education, employment, health to prevent the widening of social inequalities in young adults' ability to make a successful transition to adulthood (Berrington et al 2017).

But "one size does not fit all". Across EU Member States there is wide variation in young people's prospects due to policy, socio-economic and cultural factors. Additionally, the challenges faced by young people are influenced by their life histories, including family background and educational trajectories. Policy proposals should be grounded in empirical evidence that uses a life course perspective with longitudinal data, where challenges facing individuals are viewed as consequences of intertwined life events that occur within specific contexts.

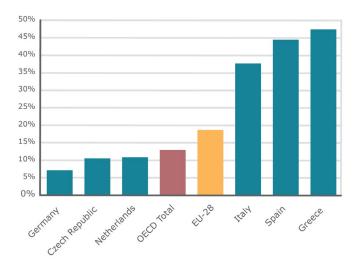
### Following young people through their lives: A necessary approach

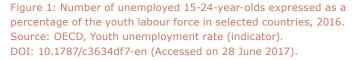
The European Commission acknowledges the need for a life course approach to properly deal with demographic challenges (Zimmermann 2015). Longitudinal data on individuals and their families are required to identify mechanisms leading to risks and vulnerabilities and its short and longterm consequences in individuals' lives. Time-invariant factors, such as social origin and ethnicity, play an important role in individuals' life chances, but it is also important to take into account changing elements in people's lives like changes in the family structure, employment histories or educational trajectories. The Generations and Gender Programme (GGP) is a good example of a dataset containing this type of information. It is the only Social Science Research Infrastructure that provides cross-national longitudinal data on how the lives of young people unfold over the entire life course, allowing for European comparisons (Gauthier and Emery 2016).

#### Employment is still an urgent issue to be tackled

Achieving financial independence is one of the most important conditions for an independent life as recognized by the European member states and institutions. Integration into the labour market is a priority of the EU Work Plan for Youth for 2016-2018. Europe still faces high levels of unemployment, particularly among young, low-skilled individuals. Figure 1 shows that 19% of the European youth labour force was unemployed by the end of 2016, with unemployment rates ranging from 7% in Germany to 47% in Greece.

Among those employed, jobs have become less stable over time. Non-standard contracts have increased to a larger extent for younger workers than for older cohorts in the EU-15, from 23% in 1995 to 32% in 2016. Young people are also more exposed to the risk of being among lowwaged employees in comparison to older cohorts. A significant proportion of young people in Europe remain unable to support themselves, much less a family before their mid- to late-20s, and need to rely on their parents and/or the welfare state. In concrete terms, this implies that they are becoming more likely to delay starting their own family (European Commission 2017). In order to avoid negative consequences, countries should invest in policies on income protection, especially for young people with little, none or scattered employment contribution (O'Reilly et al 2017).





## What can be done to improve labour market prospects of youth?

Research looking at young people and the challenges faced in the labour market from a life course perspective offers important avenues to be followed by policy makers. For instance, it shows that the employment status of other family members plays an important role in young people's chances to follow certain trajectories of school-to-worktransition. Evidence from the EU STYLE project suggests that young women whose mothers were employed have a higher chance of entering higher education and being employed. This is mostly due to the number of income providers at the household level. In terms of education, the STYLE project found that promoting opportunities for young people to acquire work experience (as part of either job creation schemes and/or employment incentives) reduces youth unemployment most, and is most cost effective in comparison to increasing Vocational Education and Training (VET), employment incentives or job creation schemes (O'Reilly et al 2017).

# Residential independence – What does it mean and does it matter?

A successful transition towards residential independence implies a "stable and sustainable housing situation" (Berrington et al 2017). The challenges faced by individuals in securing accommodation vary cross-nationally, but also regionally within countries. Housing costs and access to subsidized social housing are key strutural factors. At an individual level, access to mortgage credit depends on young people's earnings, but also the possibility of being able to call on parental resources, thus driving up intra-generational inequalities related to access to home ownership. There is growing awareness among researchers and policy makers of the increased inter-generational inequalities in home ownership as older generations are much more likely to be home owners than young people, and are now the main providers of rented housing.

The relationship between the age at leaving home and later outcomes is complex and differs according to institutional context. Early home-leaving can be associated with longerterm investments, for example to attend higher education, but may also be associated with family conflict. According to Eurostat, (2017) those living away from the parental home at ages under 25 are most at risk of poverty in the majority of EU countries. Evidence on the implications of extended co-residence with parents is relatively scarce, but it suggests important consequences, for example, for parent-child relationships and future life course decisions (Vignoli et al 2013). Billari and Tabellini (2010) showed that countries where leaving home occurs later are on average characterised by lower productivity and higher unemployment rates. They found for Italy that the age at which individuals leave the parental home matters more for future outcomes than the age corresponding to other significant events, such as starting one's first job.

#### Increasing diversity between and within countries in transitions to adulthood

While there are increasing similarities in the transition to adulthood within Europe in some dimensions, for other dimensions, such as residential independence, cross-national differences tend to remain very significant (Billari and Liefbroer 2010). A comparison of transitions to adulthood in eight European countries using GGP data indicated that country characteristics, educational attainment and gender strongly shape the chances of individuals becoming independent adults, and the timing when different life course events occur (Schwanitz 2017). This implies that even if the provision of support to young citizens is a shared agenda in Europe, policies should be designed to take into account national specificities. Policies should also consider the role played by migration and ethnicity. Children from immigrant backgrounds have on average higher chances of failing in the educational system, of being unemployed or in less favourable positions on the job market in comparison to the majority youth (Holland and De Valk 2017). The different early life course experiences of second generation migrants, for example their higher risks of unemployment, have implications for patterns of leaving and returning home (Kleinepier et al 2016).

## Examples of good practices in supporting young adults

Research on welfare regimes shows substantive differences in the way countries provide support to young people. In Nordic countries, state support is high, allowing for residential independence at relatively young ages. The opposite is found in Southern Europe: Institutional support is rather minimal and families are the main providers of wellbeing for young people. Countries such as Germany and France are in between these cases, with earlier home-leaving than Southern Europe, but also a weaker level of family support than in the Nordic countries (Arundel and Lennartz 2017).

Examples of good practices are found at local, national and EU level. At the EU level, the programme Erasmus+ has successfully promoted more independence and mobility by supporting young people studying, training and volunteering abroad (Gaebel and Stoeber 2016). At the country level, Denmark provides a positive example of good practice targeted at students, as its generous student grants are universally accessible. Age conditions and rules for receiving social assistance are also comparatively unrestrictive, as in most Nordic countries (Thévenon and Neyer 2014). The French housing benefit is also acknowledged as a positive example. The share of young people receiving benefits is much higher here than the OECD average (36% compared with under 9% on average for young people leaving education). This difference is even stronger among NEETs: 43% receive housing benefits in comparison to an OECD average of 13% (Thévenon 2015).

At a local level, the "PACT Brabant" in the Netherlands has been highlighted as a successful network-based strategy for employment growth and youth labour market integration. The same is true for the French "Local Missions" and the "Pôles emploi" which support NEETs at the local level, and the Belgian JEEP initiative (Jeunes, école, emploi), focused on supporting young people on future employment trajectories before they leave compulsory education (O'Reilly et al 2017).

#### Policy Recommendations

- Policy proposals for young Europeans should be based on a life course perspective. Challenges faced by individuals should be seen as a consequence of a series of intertwined life events that occur within particular policy, socio-economic and cultural contexts.

- Independence in young adulthood should be viewed as a multi-dimensional concept, which includes residential, economic and psychological independence.

- Securing employment for young people should remain a top priority on the European policy agenda. However, stable and well-paid jobs, and income protection should be promoted equally.

- In terms of housing, leaving the parental home does not mean that individuals have reached full residential independence. A stable and sustainable housing situation should be the target.

- Local initiatives supporting young people should be further promoted. These should be sensitive to individuals' gender, ethnicity and educational level.

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