

## Education and Quality Jobs

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### Abstract

*The present research is the result of a rich intercultural dialogue on the relationship of education and youth employment/ unemployment in the countries of the European Union (EU). The Education International EUROPE, the European Trade Union Committee for Education and the European Trade Union Institute (ETUI) set the framework for the present study and for the intercultural dialogue by organizing a course (September 2013-June 2014) where 24 young people aged 21-35 from different European countries have learned, studied and worked together under the "THINK GLOBAL, ACT LOCAL" motto. The study is based on the pragmatic approach to research that uses mixed methods, techniques and procedures: the use of a variety of data sources, the use of multiple perspectives to interpret the results and the use of multiple methods to study the research problem. The context of this research is the rapid deterioration of young people's living and working conditions caused by the impact of the Great Recession on European labour markets that also have a tragic impact on education and motivation.*

**Keywords:** education, quality jobs, youth, future skills needs

### 1. Introduction

The Great Recession has affected all age brackets, so why the young group should benefit of extensive and intensive attention? For the same reason that in case of cold weather we look after the buds more carefully than after the leaves. The conclusion of the Commission Communication on the 'Renewed Social Agenda' is the following: "Europe's future depends on its youth. Yet, life chances of many young people are blighted". Europeans are living longer, having children later and there are fewer young people.

According to the general statistics the 15-29 age group is currently 19.3% of Europe's population. These demographic changes affect families, intergenerational solidarity and economic growth.

Youth is a long debated concept. EU Strategy for Youth COM2009-0200 states that youth age group is situated between 15 and 29 year old population. Developmental psychologists like Erik Erikson and Daniel Levinson have situated young adulthood between 19 and 40 years respectively 17 and 45 years, while the World Health Organization has placed youth between

18/20 and 35 years. The United Nations Division for Social Policy and Development situates teenagers between the ages of 13 and 19 and young adults between the ages of 20 to 24. When carrying out its Youth Strategy, UNESCO uses different definitions of youth depending on the context. The UN, for statistical consistency across regions, defines 'youth', as those persons between the ages of 15 and 24 years, without prejudice to other definitions by Member States. Due to the socio-cultural specific and institutional, economic and political factors, the meaning of the term 'youth' varies across cultures and from setting to setting. So, there are several definitions for youth. Some countries consider young people to become young adults when they pass the 'age of majority' and they are then given equal treatment under the law.

While there are no universally accepted definitions of youth, the term is best understood as a stage of life marking the transition from the dependence of childhood to adulthood's independence and awareness of our interdependence (physical, mental and social development) as members of a community, but youth is a more fluid category than a fixed age-group.

Although linked to biological processes of development and aging, youth is also defined as a social position that reflects the meanings different cultures and societies give to individuals between childhood and adulthood. Scholars argue that age-based definitions have not been consistent across cultures or times and that thus it is more accurate to focus on social processes in the transition to adult independence for defining

youth. This was synthesized by Robert F. Kennedy in his all-encompassing speech 'The Day of Affirmation' as follows: "This world demands the qualities of youth: not a time of life but a state of mind, a temper of the will, a quality of imagination, a predominance of courage over timidity, of the appetite for adventure over the life of ease."

However, for statistical purposes, age is the easiest way to define this group, particularly in relation to education and employment (Eşi, 2010, 27-38). Therefore youth is often indicated as a person between the age where he/she may leave compulsory education, and the age at which he/she finds his/her first employment. This latter age limit has been increasing, as higher levels of unemployment and the cost of households determine the young people to be dependent on their parents.

The relationship between education and youth unemployment is an issue largely discussed, but still unresolved worldwide. Many sources of information about education and youth unemployment are available. The information provided by the internet, media, magazines, is sometimes manipulated, distorted or cosmeticized. From here derives the necessity of a quantitative research regarding the same data, which tells us whether a research is consistent with other research, in other words if it is credible or not. Knowing if the information can be trusted can be difficult, that's why we have explored the reliability of the sources.

The present research focuses on the characteristics of the unemployment among young people aged 15-24 in Romania, as

much as the existing data have permitted to. Also, we have used general data published by: Eurostat; National Institute of Statistics –Romania; European Trade Union Confederation (ETUC); European Trade Union Institute (ETUI); International Labour Organisation (ILO); The European Employment Observatory (EEO); The European Youth Forum (YFJ); INCSMPS – National Scientific Research Institute for Labour and Social Protection, România; CNSLR-Frăția Youth Committee; Eurofound.

## **2. Youth Unemployment worldwide/in the European Union/in Romania**

For a better understanding of the phenomenon, we will treat the youth unemployment holistically and we will proceed deductively, from general to particular, from the youth unemployment worldwide to the youth unemployment in the European Union, ending with the youth unemployment in Romania.

The unemployment rate among young people is higher than in any other age group. Young people are the worst affected by the Great Recession. It is estimated that 74.5 million young people aged 15-24 were searching for a job in 2013, with almost 1 million more than in 2012. This represents a global youth unemployment rate of 13.1%, which is almost three times as high as the adult unemployment rate. Indeed, the youth-to-adult unemployment ratio has reached a historical peak. Youth unemployment is particularly high in the Middle East and North Africa, as well as in parts of Latin America and the Caribbean and Southern Europe. (Data source: ILO, Global

employment trends for youth, December 2011)

According to a Labour Force Survey made by Eurostat, the youth unemployment rate (age 15-24) in Romania was of 4.1% in 2013. The aforementioned survey made by Eurostat also shows that the youth unemployment (age 25-29) in Romania was of 3.7% in 2013. In the European Union young people are more than twice as likely to be unemployed as the adult population, the same in Romania.

At European level, the cost of failing to integrate some 14 million young people aged between 15 and 25 into the labour market is estimated to be equivalent to around 1.21% of the European Union's GDP. A fifth of the European Union's total population, close to 100 million, is below 30, therefore the Europe's future and prosperity depends on its youth.

"Unemployment levels are alarmingly high, concealing many different realities and causes that often run deep. And we are under no illusions: the problem won't be solved overnight. But that is no reason for adopting a "mission impossible" mindset. A common resolve and immediate actions can make a difference. That's why, tonight, we took a number of decisions that can and will create jobs", said President of the European Council Herman Van Rompuy after the meeting.

Importantly, in the countries for which information exists, the proportion of young people neither in employment, nor in education or training (NEET) has continued the steep upward trend recorded since the start of the crisis. In certain countries, almost one-quarter of young people aged 15

to 29 are now NEET. In Romania, the NEET rate of the young people aged 15-24 was of 3.5% in 2013 and the NEET rate of the young people aged 25-29 for the same year was 5.4%. (Data source: NEET rates for young people by age (15-24), 2007-2012, Eurostat, Education and training, 2013)

On January 2014 Guy Rider, the ILO's Director-General, has stated to Thomson Reuters on "Davos Today", broadcast during the 2014 World Economic Forum the following: "With a third of the world's unemployed young people out of work for more than six months, the need for targeted action is urgent. Businesses and governments need to invest in areas like apprenticeships, particularly in countries in Southern Europe where there is 50 to 60 per cent youth unemployment".

The developmental psychologists believe that the most critical stage in a person's life is the period of 15/16 to 25 years old. Difficulties in education, employment, inclusion and health, further combined to problems in finance, housing make it difficult for young people to become active and creative personalities, to achieve autonomy, therefore they don't get to have the resources and opportunities to manage their own lives, fully participate in society and decide independently.

According to the analysis Youth Guarantees and recent developments on measures against youth unemployment made in April 2013 by the authors Margherita Bussi and Leonard Geyer, in the 28 member states of the European Union there were, in the second quarter of 2013, nearly 5.5 million unemployed 'young people' (the population

group aged between 15 and 24), representing an increase of 1.38 million since the second quarter of 2007. Meanwhile, among 'young adults' (the 25-to-29-year age group) unemployment in the second quarter of 2013 was above 3.8 million. In the first quarter of 2013, the young unemployed (15-24) represented 23.1% of the labour force of that age group (youth unemployment rate); in 2012 they represented 9.7% of the whole population of that age group (youth unemployment ratio). Among the older group of 'young adults', meanwhile, the unemployment rate was 14.4%.

From 2006 until 2013, Romania Unemployment Rate averaged 7.0, a percent reaching an all time high of 8.1 percent in March of 2010 and a record low of 5.4 percent in September of 2008. (Data source: Romania Unemployment Rate – actual values, historical data and charts, National Institute of Statistics, Romania) Also, the unemployment rate measures the number of people actively looking for a job as a percentage of the labour force. In 2012 Youth Unemployment Rate in Romania was 22.2% and from 1999 until 2013, Romania Youth Unemployment Rate averaged 20.3 percent reaching an all-time high of 23.8% in September of 2011 and a record low of 16.5 Percent in April of 1999. Regarding the unemployment in general, Eurostat, the statistical information arm of the European Union, said the number of jobless people in Romania was 736,000 in September 2013 as against 682,000 in 2012.

According to Eurostat, in August 2013, there were 5.499 million unemployed young persons (under 25) in the 28 member states

of the European Union, of whom 3.457 million were in the euro area. This represented a youth unemployment rate was 23.3 percent in the 28 member states of the European Union and 23.7 percent in the euro area, compared with 23.1 percent and 23.4 percent respectively in August 2012. In August 2013, the lowest rates were reported in Germany (7.7 percent) and Austria (8.6 percent), and the highest in Greece (61.5 percent in June 2013), Spain (56.0 percent) and Croatia (52.0 percent in the second quarter of 2013).

Romania reported a seasonally-adjusted unemployment rate of 7.5 percent in August the same level as the previous two months but up from 6.9 percent in August 2012, according to data from Eurostat, the statistical office of the European Union. In November 2013 the Unemployment Rate in Romania remained unchanged at 7.30 percent from 7.30 percent in October of 2013 as reported by the National Institute of Statistics. Youth Unemployment Rate in Romania remained unchanged at 23.30 percent in September of 2013 from 23.30 percent in August of 2013 as reported by the Eurostat.

### **3. Education and quality jobs**

In Romania, as elsewhere, the young people have paid and are still paying a high price during the economic crisis. Part of them was new on the labor market, part of them just exited directly from education to a frozen labour market with few job opportunities, part of them couldn't afford to finish their studies and so they left school. Therefore, in Romania the youth unemployment is higher than the rate of the overall unemployment.

It is really difficult for the today's generation to gain access to the labour-market. Not only that the young people are confronted with the lack of work and training experience, they also find roadblocks from the employers who try to evade recruiting inexperienced, young workers and investing in their training. Therefore, it is really difficult for a young Romanian to find a good job or just a job of any kind and keep it.

Education and lack of qualifications is often mentioned as the main barrier for young people when looking for a job. Also, there are young people with education and qualifications for jobs that are not hiring for the moment, but, in general, young people with no education or low level skills are more likely to end up in temporary jobs than those who are better skilled and therefore are more flexible. Lack of qualifications combined with very young school leaving ages lead to poorly equipped individuals who find it difficult to get a secure foothold at the labour-market.

As a teacher, I have stayed in contact with my former students and questioned them regarding the reason they quit school after they finish compulsory education. In their answers I have found constants like demotivation, the urge to work in order to provide for their families and the temptation of going abroad in order to find better paid jobs for their qualifications. They are discouraged and stop evolving their skills because they think education will not provide them better paid jobs. They think that a good job is a well-paid job. They think in terms of "here and now" and don't take into consideration other criteria. They don't

care about health and other social protection benefits, flexibility in the management of their time, stability and they don't think at the risks of disease, psychological stress or degrading lifestyles. The school-to-work transition should be reinforced in order to give young people a stronger foothold on the labour-market and move up the career ladder. This inclusion could happen by strengthening internship and apprenticeship status.

Today's young generation is the highest-educated, technically-advanced and most mobile ever, but still they encounter the biggest roadblocks in finding a job. Young people bring added value to the world of work, and therefore preparatory measures should be taken to involve them more.

The jobs available to young people are all insecure: agency work, fixed-term contracts, too low-paid to achieve financial independence, etc. The young workers are also confronted with higher work accident rates, unsocial hours, excessively fast work paces, low job discretion, etc. It comes as no surprise therefore to find that a great part of Romania's youth would be willing to emigrate for a better life.

The economic context in Romania is important in understanding the rates of long-term unemployment, in particular Romania's large share of subsistence employment in agriculture and labour migration. Long-term unemployment has been on a downward trend in Romania since the middle of the first decade of the 21st century. In 2005 the long-term unemployment rate, as calculated by the National Institute of Statistics (NIS) using ILO/LFS (EUROSTAT harmonised)

methodology, stood at 4.0 %. In 2010, and in the worst year of the crisis recorded by the Romanian economy during the current worldwide economic downturn, it stood at a remarkably low 2.5 %. While the problem cuts across all categories of young workers (graduates/unskilled, white/blue collar, etc.), young people from the lowest socioeconomic groups seem more permanently beset by insecurity than those from more well-to-do backgrounds (for example a temp job as a promoter versus a full time contract computer based job).

Temporary employment can be either voluntary or involuntary. The latter comprises persons that could not find a permanent job and persons with contracts comprising a training or probationary period. In 2007, a majority of young Europeans were not willingly in temporary employment. In 2007, temporary workers aged 15–24 were more likely than their older counterparts to be offered a contract including a training period since many of them were still in education.

Leaving formal education (either school or university) is a crossroad in life requiring young people to decide either to enter the labour market or to be inactive. The path to the labour market can be straightforward (from formal education directly to full-time permanent employment or to inactivity) or more fragmented (combining schooling with part-time work and/or seeking work or alternating inactivity and work and/or seeking work).

The sustainable integration of young people into the labour market depends mainly on the capacity of the initial education system to provide relevant skills and abilities that

are adapted to the requirements of the labour market.

There is an urgent need for a labour market needs anticipation instrument. A such anticipation instrument will show the full capability to anticipate future skills needs and will provide decision-makers with further insight into the workings of the economy, emerging mismatches in the labour market, and therefore with a solid anchor for the tailoring and targeting of labour market interventions. This is also a good opportunity for the schoolchildren to find out about hiring jobs, to learn how to think in perspective and prepare their right “baggage of skills and competences” needed in order to face the future historical and social conditions.

Professional status varies among young people in employment: they can be self-employed (with or without employees), employees or family workers. As highlighted below, the large majority of young people who are occupied in the labour market are employees. However, in Romania young employees accounted for less than 80% of total employment. Romania reported also the highest shares of family workers and self-employed workers and also a higher share of employment in the agricultural sector than the EU average (which stood at 5 %). For instance, in Romania the agricultural sector accounted for more than 20% of total employment.

The proportion of young people running their own business is very low in Europe. In the EU-27 only about 4 % of young people aged 15–24 and 9 % of those aged 25–29 were self-employed in 2007. In all countries, the share of self-employed workers was

higher among the population aged 25–29 than 15–24. Other aspects of casualisation may be at least as material: the spectrum of unemployment, taking a first job – or any job after a spell of unemployment – for which they are over-qualified, lack of effective collective rights, etc. The current crisis has added to the pressure of mass unemployment. In April 2013, the unemployment rate of under-25s in the euro area topped 24% – double the all-labour force average – and peaked above 60% in Greece and 55% in Spain. Insecurity at work has an impact on general living conditions beyond the material consequences of an inadequate or sporadic income. Unfortunately, Romania it is not member of the OECD and there are not available further information and statistics.

The loss of trust in the power of education, and the demotivation of the young people lead to youth migration. According to new UN global migration statistics, in 2013, 232 million international migrants – 3 per cent of the world’s population – are living abroad worldwide. In 2010, Romanians accounted for 27% of all EU nationals moving among the member states. During the period 2000 to 2010 Romania lost an estimated 7.6 % of its domestic population. Set in this context, it is perhaps unsurprising that in spite of poor job generation - even at moments of high growth between 2000 and 2008 - long-term unemployment (with the singular exception of young people) has never been high.

The main causes of migration in Romania are the economic difficulties and the low job opportunities. Therefore, people find it easier to emigrate in another country where

their work is better paid, thus being able to provide better life conditions for their families back home. The Romanian Foreign Affairs Minister has suggested in 2013 that over 2 million Romanians are legally and illegally working abroad. Migration unlocks a host of opportunities for the individuals and countries involved. For instance migration represents for people access to employment, acquisition of skills and qualifications, improvement of life conditions, while for both countries of origin and destination it is a driver of growth and development. At the same time, as a process it is also marked by tremendous inequalities and serious human rights abuses. Targeted interventions would therefore be needed if the full potential of migration is to be explored and its negative aspects adequately addressed.

Education stands at the core of EU's strategies for fighting the youth unemployment and there are also some Romanian strategies among them.

#### **4. Conclusions and suggestions**

As presented in the research outlined above, the most affected sector by unemployment in Romania is youth, for whom it still remains difficult to gain entry into the labour market. At least in theory, there are active measures to target and support the youth, while offering employers sufficient incentives to hire them. However in practice, these measures have been limited by reductions to the budget available to support these measures. Unfortunately, the current austerity drive is set to continue. Romania is not confronted with mass unemployment for the simple reason that most of those that left

for work abroad do not seem to be bent on returning.

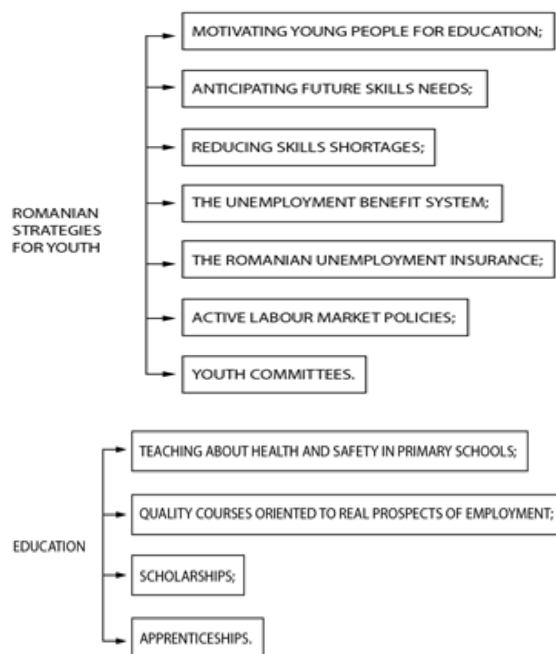
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The sustainable integration of young people into the labour market depends mainly on the capacity of the initial education system to provide relevant skills and abilities that are adapted to the requirements of the labour market.

Romania needs to focus on job creation, to commit to establish a viable Romanian Youth Guarantee, a guarantee which means that young Romanians must not be unemployed for more than four months before being offered a job or education. Romanian policies and strategies to prevent and tackle the youth unemployment have to establish the following objectives: reducing skills shortages, anticipating future skills needs, continuing education, scholarships for the ones in need, apprenticeships, quality courses oriented to real prospects of employment, strengthening job placement schemes, teaching about health and safety in primary schools, active labour market



policies, improvement of the unemployment benefit system and of the Romanian Unemployment Insurance and a constant social dialogue between the social partners. The economic crisis is not the only crisis that affects Romania. There is also the crisis of values, the political crisis, the cultural crisis so on and so forth that demotivates the young people.



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