

**TO:** European Commission, DG Employment, Social Affairs and Inclusion  
**For the attention of:** Mr László Andor, Commissioner

**Re:** Recommendation regarding employment opportunities for people at-risk

### Issue and Context

In spite of the prompt response given by the EU to address the economic crisis, the legacy of the crisis is far reaching. It has resulted in a large loss in economic activity, a substantial increase in unemployment, a steep fall in productivity, and badly weakened public finances. Structural weaknesses that were not tackled before the crisis have become more apparent and urgent. The crisis has taken a heavy toll on Europe's societies, despite the cushioning provided by welfare systems. The rise of unemployment is a central problem. On aggregate, 9.6 percent of the working population is unemployed. In some countries, youth unemployment can be as high as 40 percent. Around 80 million people are estimated to live below the poverty line in Europe (COM(2011) 11 final, Brussels, 12.01.2010). In many European countries, people at-risk like women from rural areas, young people, or immigrants face worrying employment rates. Especially in many remote and agricultural areas, women face problems relating to work and social exclusion.

### Criteria

Fiscal consolidation, structural reforms and growth-enhancing measures are necessary ingredients for the comprehensive response Europe must give to the crisis. Progress in establishing a permanent mechanism for resolving sovereign crises is needed to provide certainty and stability in markets. The new European Stability Mechanism should complement in 2013 the new framework for reinforced economic governance, aiming at an effective and rigorous economic surveillance, including reviewing the effectiveness of current financial backstops (COM(2011) 11 final, Brussels, 12.01.2010).

### Options

**Maintaining the status quo:** In a period of economic crisis, a lack of government intervention to address vulnerable groups like youth and women from remote and rural areas will generate a sense of distrust in society. As a result, more people will be unemployed, which may lead to a collapse of the current social system on the long run. More people will try to emigrate and countries will be losing their human potential and their chances to improve the socio – economic situation. Also, it will be very difficult for young people to establish families, because they do not have enough resources to maintain an adequate standard of living. As a result, Europe will be aging and disadvantaged groups may face depression and suicide. Maintaining the current situation leads to a development of black labor markets, so more people at-risk will be working without contracts, lacking social protection. A lack of consistent government intervention may generate protests among the population, leading to chaos and rioting.

**Improvement of the educational system:** Many educational programs tend to be out of date and often do not keep students interested in subjects. The practical side of courses is very important to the development of the pro-active and entrepreneurial behavior of young people and persons at-risk, so an adaptation of the curriculum to the latest trends in labor markets is needed. Students and youth organizations play an important role in after school programs and their activities have great constructive impact on the behavior of their members and the community. They maintain contacts with companies, public organizations, engage in non-formal learning activities and organize exchanges and conferences. As a result, governments could support the development of such organizations and promote them to be



more involved in the interaction between universities, companies and the governmental sector.

**Offering incentives to companies:** The private sector is the one that provides economic development and is sensitive to periods of economic growth or recession. In times of recession, companies need incentives to hire young people or persons at-risk. Such incentives may include:

- Charging smaller taxes on salaries of young or at-risk workers.
- Governments could pay salaries of young people for a short period of time, so that it wouldn't be risky for companies to hire them.
- Offering companies with a higher percentage of young workers better possibilities to obtain bank loans.
- Governments could support free courses for young entrepreneurs with newly established companies, teaching them how to run a company or could encourage local and national mass-media to promote companies with young workers.
- Governments could also influence school systems to make better connections with companies.
- National campaigns could be organized, which would promote employment of young people as an investment in the future.

The EU could also support the creation of an online working platform promoting outsourcing needs of companies. This way, companies could post the services they need online so that information would be accessible to all young people or persons at-risk. These services could then be contracted out by people at-risk who want to become more entrepreneurial, developing the social economy of Europe. By doing this, companies would not have to hire more people and pay for their salaries, but could pay them as clients for their effective efforts. This way, people at-risk could have more entrepreneurial opportunities.

**Developing an awareness campaign:** self-employment and entrepreneurship are serious career alternatives for youth and persons at-risk. An EU-wide awareness campaign to promote the entrepreneurial behavior would help young people have new and fresh ideas and up-to-date information about entrepreneurial opportunities. Incomes from a self-employment endeavor may bring higher incomes than from a regular job, stimulating creativity, innovation and development. The social effects may lead to a decrease in suicide attempts and less unemployment. More people will be well informed and they will be able to put information into practice at a local level in their communities. Also, government revenues will increase in the long run as the entrepreneurial attempts reach maturity and profitability.

### Recommendation

We consider that the continuation of the status quo will have serious negative impacts on the employment situation of vulnerable groups like young people, women and immigrants. We therefore ask the European Commission to support a programme aimed at establishing an outsourcing online platform for companies. This platform would allow them to advertise the services they need and establish communication with vulnerable groups who have the skills to offer the services or suggest ideas. This way, Europe will support social economy as a means to improve the situation of vulnerable groups. We also ask the European Commission to support a Recommendation for the Member States, in order to encourage them to develop more practical curricula in schools, to encourage teachers to keep themselves up-to-date with the latest developments in their fields of expertise and to advise governments to impose smaller taxes on the salaries of young workers or other vulnerable groups.

**Iulian Mitrea**

**President, Students' League from the Electronics Faculty, Iasi, Romania**

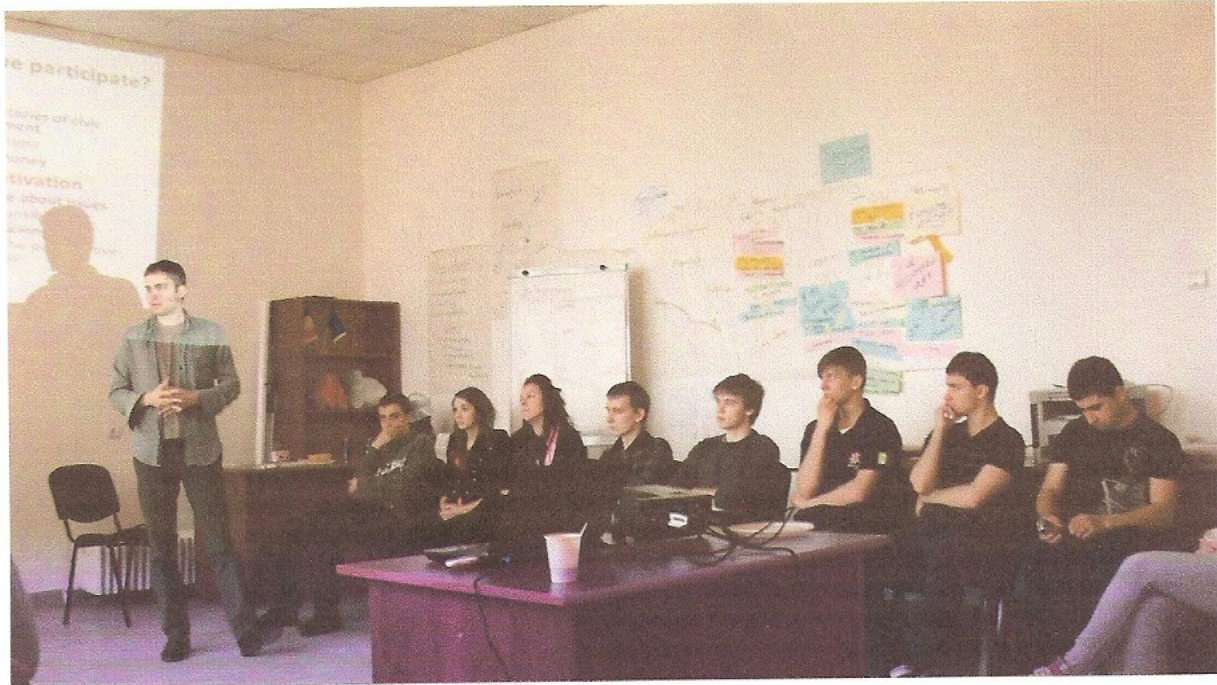


This policy paper was made during the project "Entrepreneurship – Just do it" financed by the European

The solution/s herein recommended are based on the active participation of citizens on the citizen engagement platform [www.Public-Policies.eu](http://www.Public-Policies.eu).

This policy paper is not official unless signed, sealed and bearing the logo of one of the Managing Partners implementing "SMART Method of Public Policy."

Commission's Youth in Action Programme, Iasi, Romania, March 26, 2011. Partner organizations from Romania, Italy, Bulgaria, Slovenia, Turkey, Poland, and Lithuania used SMART Method of Public Policy ([www.Public-Policies.eu](http://www.Public-Policies.eu)) and its supporting Training ENGAGEMENT to find valuable, sustainable and feasible solutions to problems of European public concern.



<p><b>Sports Economist Club, BULGARIA</b></p> <p>Iva Tcolova <i>Iva Tcolova</i></p>	<p><b>European Association of Young Regionalists, POLAND</b></p> <p>Agata Bernat <i>Agata Bernat</i></p>
<p><b>Zavod Mladinski center Kotlovnica Kamnik, SLOVENIA</b></p> <p>Iztok Zver <i>Iztok Zver</i></p>	<p><b>Manisa Municipality Youth Center, TURKEY</b></p> <p>Korhan Alper <i>Korhan Alper</i></p>
<p><b>European Borders, ITALY</b></p> <p>NICOLA D'AMICO <i>Nicola D'Amico</i></p>	<p><b>Free Learning Centre, LITHUANIA</b></p> <p>NERIUS MIGINIS <i>Nerius Miginis</i></p>
<p><b>Students' League from the Electronics Faculty Iasi, ROMANIA</b></p> <p>Adina Maria <i>Adina Maria</i></p>	

Please, send us your response to Students' League from the Electronics Faculty Iasi (Liga Studentilor Electronisti Iasi) to make our efforts a success story of civic engagement. Address: Campus Tudor Vladimirescu, Camin T11, Camera 6, Iasi, Romania. Contact person Mr. Iulian Mitrea, tel: 004 0745 845377, Fax: 004 023 2271288, Email: [iulian.mitrea@gmail.com](mailto:iulian.mitrea@gmail.com).

The solution/s herein recommended are based on the active participation of citizens on the citizen engagement platform [www.Public-Policies.eu](http://www.Public-Policies.eu). This policy paper is not official unless signed, sealed and bearing the logo of one of the Managing Partners implementing "SMART Method of Public Policy."