

Brussels, 15.9.2015 SWD(2015) 169 final

**PART 3/6** 

## COMMISSION STAFF WORKING DOCUMENT

Situation of young people in the EU

Accompanying the document

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions

Draft 2015 Joint Report of the Council and the Commission on the implementation of the renewed framework for European Cooperation in the youth field (2010-2018)

{COM(2015) 429 final} {SWD(2015) 168 final}

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# 5. SOCIAL INCLUSION

EU Youth Indicators	
Average age of young people when leaving the parental household	Figure 5-A
At-risk-of-poverty or social exclusion rate for children and young people	Figures 5-B, 5-C and 5-D
At-risk-of-poverty rate for children	Figures 5-E and 5-F
Severe material deprivation rate for children and young people	Figures 5-H and 5-I
Children and young people living in households with very low work intensity	Figures 5-J and 5-K
Self-reported unmet needs for medical care	Figures 5-O and 5-P
Share of young people not in employment, education or training (NEET rate)	Figure 5-S and 5-T

#### 5.1. Introduction

The economic crisis and the subsequent recession continue to have an impact on young people in terms of poverty and social inclusion. According to a recent Eurobarometer survey (92), the majority of young Europeans – especially in countries hardest hit by the economic recession – feel that young people have been marginalised by the economic crisis and are being excluded from economic and social life (93). Changing labour markets, increasing uncertainty (94) and high youth unemployment rates (see Chapter 4) influence many aspects of young people's lives including their levels of poverty and deprivation, their living conditions, their health and well-being (see Chapter 6), and even their political and cultural participation (see Chapters 7 and 9). All these aspects contribute to young people's feelings of social exclusion, especially amongst the most vulnerable groups.

This chapter focuses on the main indicators of social exclusion and poverty and examines the most recent trends. Given the importance of living arrangements in determining poverty levels, a distinction is made between young people living independently and those living with their parents. The chapter also examines some specific aspects of poverty and social exclusion including housing, access to health care and in-work poverty. Finally, the last section focuses on the groups most at risk of poverty and social exclusion: young people not in employment, education or training (NEETs), as well as young people from a migrant background.

Given how determining childhood poverty is for the risk of poverty later in life, for several indicators, the EU Dashboard covers both young people and children. The age breakdown used in the chapter for each of these groups reflects the available data provided by Eurostat. In most cases, the reference age groups are 0-16 for children and 15-29 for young people, although for a few indicators only, slightly different age ranges are provided. While an overlap is evident between the two age groups, the data currently available does not allow for further refinement.

## 5.2. Moving towards independence: young people leaving the parental home

Young people's lives are characterised by phases and episodes of transition towards independence: they move from education to work, and from living with and being supported by their families towards establishing their own household. As Chapters 3 and 4 have already described, this road towards independence is often bumpy, and usually takes many turns before leading to financial independence. As a result, young people are particularly vulnerable to social exclusion and poverty.

The risk of becoming poor is closely linked to a crucial move: leaving the parental home. In fact, moving out of the parental household is found to be the 'strongest predictor behind youth poverty' (95). Though moving out of the parental home might not be definitive for many (young people often 'boomerang' back to the parental household if they cannot afford to live independently), the timing of this move differs widely in European countries, influencing the social exclusion and poverty levels among young people.

<sup>(92)</sup> Flash Eurobarometer of the European Parliament (EP EB395) on the 'European Youth in 2014'.

<sup>(93)</sup> European Parliament, 2014.

<sup>(94)</sup> On inequalities and marginalisation among young people in ten European cities, see the 'CITISPYCE' project: <a href="http://www.aston.ac.uk/lss/research/research-centres/interland/citispyce/">http://www.aston.ac.uk/lss/research/research-centres/interland/citispyce/</a>.

<sup>(95)</sup> Aassve et al. 2007, p. 331.

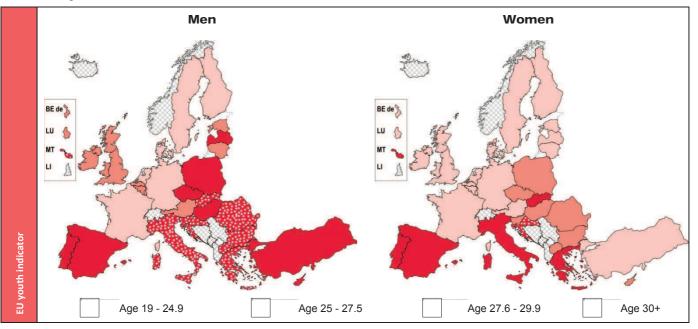
On average, young Europeans leave the parental home around the age of 26 (%). However, as Figure 5-A

depicts, there are substantial differences across European countries, as well as between young men and women. Regarding country differences, there is a clear north-west vs. south-east divide in Europe: young people in northern and western Europe generally leave the parental household earlier than their peers from southern and eastern European countries. The average age of leaving the parental home ranges from 19.6 years in Sweden to 31.9 years in Croatia (97). As was discussed in the 2012 Youth Report, such differences are

Young people in northern and western Europe generally leave the parental home earlier than their peers from southern and eastern European countries.

partly cultural and partly linked to the economic environment, and have the effect of either encouraging young people to make an early start in independent living or persuading them to postpone this step (98).

**Figure 5-A:** EU youth indicator: Average age of young people when leaving the parental household, by country and by sex, 2013



Source: Eurostat [yth\_demo\_030]

Common to all European countries, however, is that young women leave their parents earlier than young men, partly due to the fact that women starting to cohabit with their partners at an earlier age than men (99). The gender difference was 2.2 years on average in the EU-28 in 2013 (100). Differences between men and women are generally smaller in countries where young people tend to establish their own household earlier (only around seven months in Sweden, and around a year in Denmark and Luxembourg), in part because leaving home is not necessarily connected to moving in with a partner. Conversely, gender differences are greater in countries where young people arrive at the crucial point of establishing their own household later in their lives (the gap is almost

<sup>(96)</sup> EU-28 average. Source: Eurostat [yth demo 030].

<sup>(&</sup>lt;sup>97</sup>) Ibid

<sup>(98)</sup> European Commission, 2012a.

<sup>(99)</sup> Iacovou, 2011.

<sup>(100)</sup> Source: Eurostat [yth demo 030].

five years in Bulgaria, Romania and Turkey and 8.4 years in the former Yugoslav Republic of Macedonia (<sup>101</sup>)), and where leaving the parental household coincides more with moving in with a partner (<sup>102</sup>). In some countries in this group, young people tend to stay with their parents even after starting to cohabit with their partner (<sup>103</sup>).

Differences between countries in the average age of leaving the parental home also influences the poverty rates shown in the indicators, as they usually combine the data for both independent young people and those living with their parents, and, as will be shown later, moving out of the family home increases the risk of poverty for young people. For this reason, where possible, the next section will make distinctions between these two groups when comparing levels of poverty and social exclusion.

## 5.3. Levels of poverty and social exclusion

The main indicator of poverty and social exclusion is the composite indicator of 'at-risk-of-poverty or social exclusion'. This indicator is based on three sub-indicators of poverty: the at-risk-of-poverty rate; the severe material deprivation rate; and the rate of living in a household with very low work intensity. People at risk of poverty or social exclusion are defined as the proportion of the population that falls into at least one of the categories described by the three sub-indicators. While each of these sub-indicators will be defined and illustrated in the following sections, the analysis focuses first on the composite indicator.

As Figure 5-B-a shows, on average in the EU-28, the at-risk-of-poverty or social exclusion rate for young people aged 15 to 29 (29.0 % in 2013) is higher than that for children under the age of 16 (27.3 %) or for the total population (24.5 %). Moreover, the at-risk-of-poverty or social exclusion rates in 2013 stopped increasing for both the total population and children (for children, there had even been small decrease between 2010 and 2011), but continued to rise for young people, widening the poverty gap between young people and the total

population. This disparity is mostly due to an increasing proportion of young people living in households with very low work intensity – thus to rising levels of unemployment until 2013 (see Figure 5-J as well as Chapter 4). Within the group of young people, the at-risk-of-poverty or social exclusion

The at-risk-of-poverty or social exclusion rate continues to rise for young people.

rate was the highest for the 20 to 24 age group (31.5 %) in 2013 (104), since most young people complete education, enter the job market and strive to become independent at this age (see Chapter 3, Section 3.5).

On analysing the gender differences, Figure 5-B-b shows that young women are in a more difficult situation than men – partly because they move out of the parental household earlier – though their at-risk-of-poverty or social exclusion rates have shown a slight decline since 2012, while the rates for men have continued to increase.

<sup>(101)</sup> Ibid.

<sup>(102)</sup> Iacovou, 2011.

<sup>(103)</sup> Ibid.

<sup>(104)</sup> Source: Eurostat SILC [yth\_incl\_010].



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