

Task 3.4

NEETs in the digital age

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1. Task description

The four megatrends may be a barrier to NEETS - those not in education, employment, or training - transitioning into the labour market, as they are less likely to be graduates and more likely to have low cognitive skills. At the same time, since these young people were born in the digital age, they may be advantaged in the digital labour market. Using OECD (PIAAC) and Eurostat data, we plan to assess whether NEETs are less digitally skilled than their peers are. What are the characteristics of NEETs who are less digitally skilled? We will also explore the role of upskilling programmes targeting this group.

2. Background / Setting

The four megatrends may be a barrier to NEETS - those not in education, employment, or training - transitioning into the labour market, as they are less likely to be graduates and more likely to have low cognitive skills. At the same time, since these young people were born in the digital age, they may be advantaged in the digital labour market.

3. State-of-the-art

Digitalisation assists many work processes and increases labour productivity (Bloom et al., 2014). Still, vulnerable populations like the NEETs might be unable to keep pace with it and may face labour market exclusion. Data from the OECD countries show that young people with low skills are four times more prone to becoming NEETs than their highly skilled peers (OECD, 2016). Nevertheless, the green transition can create new job opportunities (Markandya et al., 2016). NEETs are an economically and socially vulnerable population. Assisting them was of the objectives of the Youth Guarantee and is the objective of the Bridge to Jobs – Reinforcing the Youth Guarantee programme (Council of the European Union, 2020). However, the COVID-19 crisis turned many people into NEETs (European Commission, 2021) and affected the labour market situation of the age cohort of 25-29 year-olds whose labour market entry was already harmed by the aftermath of

the financial crisis (Koller et al., 2022). NEETs are a heterogeneous and evolving population (Eurofound, 2016). The extent to which they manage to improve their situation, become trapped, or excluded from the labour market is largely unknown.

4. Advancement compared to the state of the art

We will provide one of the first studies assessing the proficiency in digital skills among NEETs and young people in general after the COVID-19 pandemic.

5. Research to be done

For this task, we will use individual data from the latest surveys collected by Eurostat (LFS – ad hoc module on Job skills) and OECD (PIAAC). Both surveys were collected in 2022, and the datasets will be available in 2023 and 2024, respectively. They provide information on proficiency in literacy, numeracy, problem-solving, and digital skills. They also gather data on how people use their skills at home, at work and in the wider community. Using this survey, we plan to assess whether NEETs are less digitally skilled than their peers. What are the characteristics of NEETs who are less digitally skilled? We will also explore the role of upskilling programmes targeting this group to see which policies help them master skills to reduce the risk of becoming NEET. Thanks to the latest versions of the surveys, we will be able to take into account the effect of the COVID-19 pandemic.

6. Methodology

- We will use statistical descriptive analysis to identify proficiency in digital skills among NEETs.
- We will use regression analysis to identify the characteristics of less digitally skilled NEETs. We will take into account heterogeneity by various NEET subgroups.

7. Data sources

- Eurostat: Labour Force Survey – ad hoc module on Job skills
- OECD: Programme for the International Assessment of Adult Competencies (PIAAC)

References

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