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**Position Paper** 

## Always on standby: How precarious work impacts young people's mental health

# And what to do about it!



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### 1. Introduction

Across Europe, a deep sense of insecurity has embedded itself as the defining feature of our current economic era. The prevalence of precarious employment within the workforce has surged, and the mental, physical, and social toll on workers has become increasingly normalised. Although precarious work has been a longstanding issue for a segment of the workforce, especially for the most marginalised workers, the aftermath of the 2008 financial crisis significantly accelerated its normalisation. Widespread unemployment in the immediate aftermath of the crisis transitioned into chronic underemployment, deteriorating working conditions, the proliferation of zero-hour contracts, sham self-employment, and in-work poverty;<sup>1</sup> ultimately, setting the scene for precarious work to take a foothold.<sup>2</sup>

Young people<sup>3</sup> have shouldered the brunt of this trend, finding themselves at the sharp end of insecurity and precarity. Consequently, an increasing number of young people across the EU have found themselves, and continue to find themselves, in a persistent state of 'just-about-managing'.<sup>4</sup> The once-held assumption that employment guarantees a secure livelihood has, for many young people, proven to be false.

Far from being confined to the so-called 'gig-economy', or limited to new forms of work such as Deliveroo riders and Uber drivers, precarious work has proliferated elsewhere. The European Economic and Social Committee have tracked the 'Uber-isation' of childcare, the hospitality sector, cleaning, hair and beauty, and household trades.<sup>5</sup> Temporary and zero-hour contracts have extended their reach into some of the most vital sectors of our society, including health and social care. This trend towards a pervasive insecurity exacts a significant social cost, hindering people's capacity to secure and organise their time, achieve a sense of dignity and obtain the necessary material means to achieve broader financial security.

One critical social consequence concerns the effect of precarious work on mental health. The European Agency for Safety and Health at Work (EU-OSHA) have consistently revealed that precarious working conditions significantly elevate the likelihood of workers experiencing mental health deterioration. This trend is particularly pronounced among young people, who find themselves disproportionately represented in insecure types of employment compared to the overall population.<sup>6</sup> For young people - in real terms - this means more jobs that only ever offer temporary contracts that have to be renewed on a monthly basis, jobs where the number of hours can be changed arbitrarily, jobs where a shift can be proposed on a moments notice, jobs where a shift can't be turned down, because it's not certain if and when the next one will come.

The objective of this position paper is twofold: first, to underscore how precarious work produces chaos in the lives of young people, especially their mental health, and secondly, to delineate the European Youth Forum's demands for addressing this pressing issue. Ultimately, we seek to argue that the rise of precarious work carries substantial immediate and enduring implications for the mental health of young people. Addressing this issue at source represents a crucial step toward paving the way for a better relationship between mental health and the world of work.

#### 1 Descriptions:

- In-work poverty: in-work-at-risk-of-poverty (AROP) rate refers to the share of persons in the total population in paid work (either as employed or self employed) with a household disposable income level that falls below the risk-of-poverty threshold
- 2 Countouris N., Piasna A. and Theodoropoulou S. (2023). Benchmarking Working Europe 2023, ETUI and ETUC.
- 3 See section "Precarious work and mental health" for a word on how young people are not a homogenous group.
- 4 IndustriALL Europe. (2023). Cost-of-living crisis continues: Workers fight against Austerity 2.0. IndustriALL Europe.
- 5 European Economic and Social Committee. (2020). Trojansky, A., Towards the "uber-isation" of care? Platform work in the sector of long-term home care and its implications for workers' rights. Publications Office of the EU.
- 6 European Commission, Directorate-General for Employment, Social Affairs and Inclusion. (2022). Access to social protection for young people An analysis of policies in 35 countries. Publications Office of the European Union.

<sup>-</sup> Zero-hour contracts are a type of contract where the employer is not required to provide minimum working hours. Typically, a zero-hour contract would state for example: works 0 to 30 hours per week.

<sup>-</sup> Sham self-employment: when workers whose contracts state them to be self-employed but in reality their work situation more closely resembles that of an employer-employee relation.

**Important note:** This paper primarily addresses EU policy-makers and national governments across Europe (including those outside the EU), aiming to combat the advent of precarious work on young people's mental health. The recommendations provided align with the expanding EU policy discourse concerning young people's mental health on the one-hand, and precarious work on the other. The aim of this paper is to dovetail these two growing issues and highlight their interrelation, not least in the context of the new term of the European Parliament and European Commission, which present an opportunity to promote novel language and ideas regarding the issues mentioned above.

#### 2. Defining precarious work

Typically, the idea of precarious work denotes a form of employment that is characterised by uncertainty, income inadequacy and a lack of rights and social protection.7 For the worker this often entails an uncertainty and unreliability around working hours, frequency and quantity of pay, as well as low workplace social support, lack of access to training and development, and legal and practical barriers to trade union association more commonly found in standard forms of employment. Across the EU, the employment relations with the highest risk of precariousness are zero-hour contracts, gig or platform work, involuntary part-time work, and temporary agency work.8 Notably, these forms of employment are considerably more prevalent among young people compared to the overall population.9

In short, it is the unpredictability of income, unreliability of working hours, lack of certainty over the continuity of employment, and a lack of and/ or limited access to social protection that makes precarious work precarious. While each of these conditions are enough to produce a situation of precarity, precarious forms of work often exhibit a mix of the aforementioned conditions simultaneously.

### 3. Precariousness and mental health

Exposure to insecure and precarious forms of work has been shown to negatively affect an individual's mental health.<sup>10</sup> Anxiety, emotional exhaustion, diminished life satisfaction and depression have found a causal association with precarious forms of work. As ever, context is crucial to understanding why this is the case. The degree to which insecure contractual relationships impact mental health varies according to whether or not that employment form is chosen voluntarily. Contextual factors frame that choice, including individual aspirations, personal preference and the strength of financial and social buffers of support. Essentially, precarious employment can be best understood as a 'person-in-context' phenomenon.<sup>11</sup>

The theory of intersectionality is key for understanding this phenomenon and how certain groups of young people - depending on a number of personal characteristics, identities and/or social situation, including sex, race, ethnicity, religion, gender, sexual orientation, disability, social status or financial means - are more likely to not only fall into precarious work, but also to experience the situation in a more damaging way. For instance, those young people who rely to a greater extent on income from paid work to meet their basic needs and/or those with caring responsibilities are more likely to experience the negative impact of an insufficient or sporadic income tide to precarious work than those young people who acquire a larger portion of their income support from family.<sup>12</sup> Young migrant workers often take on low paying and insecure work, resulting in them also being overrepresented in the platform

8 TASC-FEPS. (2018). Precarious work, precarious lives:how policy can create more security. TASC-FEPS.

<sup>7</sup> Eurofound. (2018). Precarious work, European Industrial Relations Dictionary. Eurofound.

<sup>9</sup> European Commission, Directorate-General for Employment, Social Affairs and Inclusion. (2023). The future of social protection and of the welfare state in the EU. Publications Office of the European Union.

<sup>10</sup> Irvine, A., & Rose, N. (2022). How Does Precarious Employment Affect Mental Health? A Scoping Review and Thematic Synthesis of Qualitative Evidence from Western Economies. Work, Employment and Society, 0(0).

<sup>11</sup> Ibid ref. 9

<sup>12</sup> European Parliament. (2023). Minimum health and safety requirements for the protection of mental health in the workplace. European Parliament.

economy.<sup>13</sup> A gender dimension is also strongly present with a greater portion of young women in precarious forms of work across the EU, with with almost half of women and 39 % of men aged 20-24 working in precarious jobs.<sup>14</sup> **Young women often face the challenge of managing a 'dual career' in which they have to juggle both work and family responsibilities simultaneously,** often leading them to take up low-paid jobs, which are often part-time, casual and precarious.<sup>15</sup>

In short, young people come in all shapes and sizes - they might well be parents or students or both, supported financially by family or not, with savings or without. Notwithstanding these intricacies and varying levels of risk amongst certain groups of young people - qualitative research reveals four core experiences of precarious employment which we explore below: financial instability, time-related uncertainty, marginal status and employment insecurity. These experiences offer an understanding of precisely how and why precarious work is detrimental to mental health.

#### 3.1. Financial instability

**Precarious work is experienced as financial instability.** Individuals in temporary, zero-hours and gig work often face uncertainty around both their overall level of income and the flow of that income; put simply, wages could be both insufficient and unpredictable. This feeling of instability and unpredictability causes stress and anxiety - in the short and long term.

Financial instability has a direct and indirect impact on people's social relations. Forced to make complex budgeting decisions, people restrict their social activities due to lack of financial resources, fueling feelings of guilt and social withdrawal.<sup>16</sup> In addition, people experiencing financial insecurity often compensate for insufficient and unpredictable income by making themselves continually available for work. The feeling of 'always on call', or not being able to turn down work, damages a person's social relations; social lives are put on hold and fragmented, leading to greater social isolation and weakening of family and social networks.<sup>17</sup> Financial insecurity can also fortify negative or harmful relationships by creating ongoing dependencies on others. These dependencies come in a variety of forms. They can be economic (from partner, parent or friend for instance), but also emotional, as in not affording a person space or time to explore new relationships, leading to a feeling of being stuck with few people that can provide social support.

#### 3.2. Time related uncertainty

**Precarious work is experienced as time-related uncertainty.** The idea of temporal uncertainty describes a scenario in which a person grapples with a lack of control over their time and a feeling of being entirely subjected to forces beyond their control - such as the demands of the employer and a disjointed work schedule.<sup>18</sup> In precarious work situations, shifts are frequently assigned with minimal advance notice, and the duration of a shift is typically communicated by the employer after it has already begun. People in precarious work are also more likely to be enlisted with multiple employers, to which the overlapping of various shifts and availability creates an additional layer of time-related stress.<sup>19</sup>

This uncertainty and variability around working hours can greatly disrupt people's daily lives in both the short and long term. In the short term, the uncertainty and fear of missing work opportunities may cause individuals to avoid making plans for social

- 13 Agnieszka Piasna, Wouter Zwysen and Jan Drahokoupil, The platform economy in Europe: Results from the second ETUI Internet and Platform Work Survey, May 2022, page 29
- 14 Policy Department for Citizens' Rights and Constitutional Affairs Directorate-General for Internal Policies. European Parliament (2020). Precarious work from a gender and intersectionality perspective, and ways to combat it.
- 15 EU Care Atlas, https://feps-europe.eu/audiovisual/eu-care-atlas/.
- 16 Toivanen S, Tarantino AO, Emmelin M, Östergren P. (2020. Diverting blame to stay sane young people's strategies for dealing with the mental health effects of precarious employment: a grounded theory study. BMC Public Health 20: 571.
- 17 Ibid ref. 9
- 18 TASC-FEPS. (2018). Living with uncertainty: the social implications of precarious work. TASC-FEPS.
- 19 Eurofound (2020), Privilege or necessity? The working lives of people with multiple jobs, European Working Conditions Survey. Publications Office of the European Union.

activities, potentially resulting in feelings of loneliness and social isolation.<sup>20</sup> For instance, signing up for structured and/or regular leisure time activities. Moreover, the irregular work schedules associated with precarious employment might limit individuals' capacity to participate in local communities, such as engaging in volunteer activities or sporting groups which are recognised for promoting positive mental health.<sup>21</sup> **Irregular work schedules also add an additional layer of uncertainty for those with caring and family responsibilities who often have to juggle both paid and unpaid labour.**<sup>22</sup>

Long-term temporal uncertainty can negatively impact mental health by diminishing a person's ability to control or plan for the future, which can cause a feeling of being 'stuck' and demoralised.<sup>23</sup> For young people, key transitions such as leaving the parental home are often delayed, leading to a feeling of being infantilised and behind in certain social markers of adulthood such as living independently.

#### 3.3. On the margins

**Precarious work is experienced as marginal status.** People engaged in precarious work, particularly temporary employment, often find themselves occupying a peripheral, inferior, or devalued status within the workplace. Individuals in such roles often encounter subpar treatment, including being assigned unpleasant tasks, receiving insufficient training, and lacking feedback and development opportunities.<sup>24</sup> This not only affects their work experience but also results in social exclusion from information networks, decision-making processes, and formal/informal social occasions. Moreover, short-term and agency workers struggle with the stress of constantly adapting to new environments, processes, and colleagues, making it

difficult to forge workplace relations. These relations are necessary for getting organised around common issues they face at work and/or around trade union involvement.<sup>25</sup> This sense of isolation can contribute to psychological challenges such as increased stress and diminished morale.

#### 3.4. Employment insecurity

**Precarious work is experienced as employment insecurity.** People in precarious employment are often subjected to a sense of apprehension or uncertainty regarding the stability and continuity of their employment. Anxieties around job stability, the risk of job termination, and a general uncertainty surrounding professional prospects contributes to a range of behavioural and relational effects that can lead to poor mental health.

In a behavioural sense, the fear of employment insecurity can lead to overwork and overperformance.<sup>26</sup> This is done to showcase their dependability and value to the employer. Similar to the impact of financial instability, **people in precarious work can feel the need to be always ready for work, agreeing to any shifts or assignments, even if it means dealing with personal inconvenience, illness, or injury.**<sup>27</sup> This behavioural response is driven by the worry that refusing work might result in fewer opportunities in the future.

In addition to maintaining an "always on call" or perpetually available status for work, people navigating employment insecurity are involved in an ongoing - and hugely time-consuming and energy intensive - search for new employment opportunities. This state of uncertainty results in a feeling of being always in limbo, always at the whim of a perceivably never ending quest for work, leading to frustration, self-doubt, low-morale and loss of self-esteem.<sup>28</sup>

- 22 Ibid ref. 11
- 23 Ibid ref.7

- 25 Ibid ref. 6
- 26 ETUI. (2021). Exposure to psychosocial risk factors in the gig-economy. ETUI.
- 27 Ibid ref. 9

28 Autonomy. (2022). The insecure economy: measuring and understanding the contemporary labour market. Autonomy.

<sup>20</sup> Ibid ref. 13

<sup>21</sup> Eurofound. (2023). Societal implications of labour market instability. Publications Office of the European Union.

<sup>24</sup> European Parliament. (2023). Minimum health and safety requirements for the protection of mental health in the workplace. European Parliament.

### 4. Precariousness and democratic participation

While the repercussions of precarious work, and the uncertainty it creates, are often understood on an individual level, the concept of 'social precarity' helps us understand the broader impact of precarious work on society as a whole.<sup>29</sup> In simple terms, we might ask, what is the social cost when young people have a lack of control and agency over their time due to precarious work. As previously mentioned, precarious work, along with the time-related uncertainty it brings, hinders involvement in community activities and political participation at various levels. Inclusive, informed, deliberative politics takes time. Time to be informed and consider the issues, to join social movements, get active in a trade union, or to join local voluntary activities. This time related uncertainty not only undermines political engagement but also exacerbates social exclusion, preventing people from engaging in the social fabric of their communities and society. Affording young people a greater sense of control over their time could be an important component for making democratic participation more participative, textured and rooted in everyday life.

### 5. Moving forward: actions against precarious work

A combination of measures is needed to address precarious work and the subsequent impact it has on young people's mental health. As discussed above, there is no singular cause of precarious work, it is the combined result of many injustices. Just as the causes are intertwined, so are the solutions. To this end, the baton of responsibility to spearhead progress towards a world of work that provides better labour and income security for young people falls on national authorities and the EU institutions alike. Below we present our recommendations to get there.

### 6. National authorities

National authorities play an important role in adopting legislative frameworks to better protect

workers and close loopholes in employment law that have too often led to the rights of young workers' being undermined. To make inroads on reducing precarious work, and the mental health implications it has for young people, we recommend that national authorities implement the following measures:

#### 6.1. Universal workers' rights

Our current system of workers' rights in many European states, to varying degrees, is no longer fit for purpose. Benefits such as statutory sick pay, paternity/maternity/parental leave, care leave, and annual leave are poorly distributed with a growing segment of the labour market left out of the equation, fueling an increase in insecurity. These rights have increasingly become the privilege of those workers whose contractual status fits that of an 'employee', typically in standard form of employment with a stable contract. For those workers whose contractual status does not fit 'employee' or for those who make below what is needed to qualify for any financial support from their employers (i.e., many young people in non-standard work) - access is often denied or significantly reduced.<sup>30</sup> In effect, this adds a further degree of insecurity to those on low-income and insecure forms of work and rewards those in long-term, well-paid positions. For those young people in precarious forms of work who often have additional unpaid caring responsibilities the stake is particularly high. National authorities should therefore:

- Ensure that the system of workers' rights no longer privileges certain sections of the labour market, based on their contractual status and/or minimum income contributions made or hours worked, and instead, extend the same rights and benefits for all, throughout their working lives and from the first day on the job. This includes extending coverage to trainees and interns in the open labour market.
- Ultimately this would mean a decoupling of access to rights from hours, income and contractual status.

<sup>29</sup> Ibid ref. 1

<sup>30</sup> European Commission, Directorate-General for Employment, Social Affairs and Inclusion. (2022). Access to social protection for young people – An analysis of policies in 35 countries. Publications Office of the European Union.

### 6.2. Building awareness of workplace rights

A new up-to-date system of workers rights also necessitates a renewed commitment to ensuring that young people entering the workforce are well-informed about their rights and protections in the workplace. Precarious work practices often rely on the relative inexperience and/or lack of knowledge of younger employees to overlook or accept unfair work practices. Therefore, providing accessible and comprehensive resources that outline labour rights, including minimum wage laws, working hours, and safety regulations, is of crucial importance.

Additionally, cultivating environments where young workers feel empowered to assert their rights without fear of reprisal is essential. By equipping young people with knowledge about their rights at work, we not only safeguard their mental health but also promote a culture of accountability and fairness in employment practices. This education can be facilitated through workshops, online resources, and partnerships with educational institutions, trade unions and community organisations such as youth clubs. Ultimately, an informed workforce strengthens the foundation of a just and equitable society.

#### 6.3. End bogus self-employment

**Bogus self-employment is a key feature of precarious forms of work** i.e., workers whose contracts state them to be self-employed but in reality their work situation more closely resembles that of an employer-employee relation. This issue is rampant in the platform and gig-economy where the majority of workers are classified as self-employed even though they often have little control over their working hours, how they deliver a service and what they charge.<sup>31</sup> This loophole is simply used as a means for employers to avoid the 'additional costs' associated with ensuring workers the fundamental rights they are entitled to.<sup>32</sup> In practice, this often means no minimum wage, no holiday, sick or maternity pay, or restrictions on working hours. National authorities should therefore:

- Introduce a strict legal definition of self-employment to reduce ambiguity.
- Introduce and/or strengthen current legal mechanisms to effectively determine whether or not a person classified as self-employed is not in fact an employee, and that the labour inspectorate has sufficient resources to take action.
- Ensure that this mechanism provides the worker, the workers representatives and competent authorities equal scope for activating proceedings and that the burden of proof would fall on the employer - and not the worker - to legally prove there exists no relation of subordination.

### 6.4. End back to back temporary contracts

As mentioned, young people are far more likely to be represented in temporary working arrangements than that of the general population; 1 in 3 young people across the EU are in temporary employment, compared to 9% of 30-64 year olds<sup>33</sup>. While it is not unusual for young people to begin their careers with temporary employment, it should not be the norm. The surge in back-to-back and multiple short-term contracts - many of which are involuntary<sup>34</sup> - has transformed this experience into more than just a transitional entry phase or stepping stone; it has evolved into a mobility trap and form of exploitation for many. Our research on unpaid internships captures the extent of the issue with 53% of respondents reporting that they carried out at least two unpaid internships before finding a job.35 National authorities should therefore:

35 European Youth Forum. (2023). The cost of unpaid internships. European Youth Forum.

<sup>31</sup> European Commission, Directorate-General for Employment, Social Affairs and Inclusion (2021). Digital labour platforms in the EU – Mapping and business models – Final report, Publications Office.

<sup>32</sup> European Agency for Health and Safety at Work. (2022). Spain: the 'riders' law', new regulation on digital platform work. EU-OSHA

<sup>33</sup> Ibid ref. 4

<sup>34</sup> European Commission, Directorate-General for Employment, Social Affairs and Inclusion. (2023). The future of social protection and of the welfare state in the EU. Publications Office of the European Union.

- Put an end to back-to-back temporary contracts and make permanent employment contracts the rule rather than the exception.<sup>36</sup>
- Set out limits on the total workforce of a company that can be hired on a temporary basis and impose sanctions where violations occur.

### 6.5. The right to request regular hours

Zero-hour contracts are a type of contract where the employer is not required to provide minimum working hours. Typically, a zero-hour contract would state for example: works 0 to 30 hours per week. This is particularly widespread in the gig-economy, where workers frequently experience significant fluctuations in their working hours, determined by the varying demands from employers from week to week. In simple terms, the amount of hours available for work is decided by the employer based on fluctuations in demand, and not the workers' needs or preferences. In this regard, flexibility is overstated, leaving many critics to describe it as 'one-sided flexibility'.<sup>37</sup> These types of contracts have been shown to leave many young workers typically on low pay - in a state of limbo, not knowing when the next shift will come or how many shifts will be made available.38 National authorities should therefore:

- Ensure that workers on zero-hour contracts are provided with the right to request regular hours.
- Raise the national minimum wage for non-guaranteed hours above that of the standard national minimum wage to compensate for lack of consistent income. This could also incentivise employers to promise more hours in advance.

### 6.6. Replace the minimum wage with a living wage

The in-work-at-risk-of-poverty (AROP) rate refers to the share of persons in the total population in paid work (either as employed or self employed) with a household disposable income level that falls below the risk-of-poverty threshold. Across the EU, 9% of all workers are at risk of in-work poverty; a figure that rises to 12.5% for young people.<sup>39</sup> Low pay is a key contributing factor - with the minimum wage rate in multiple European countries falling below what is necessary to provide a decent standard of living.<sup>40</sup> Unlike the minimum wage, a living wage is defined by the amount of income required to afford a basic yet socially acceptable standard of living. Based on recent Eurofound research, living wages across Europe would typically range from 17% to 80% higher than minimum wages, varying according to the specific member states.<sup>41</sup> National authorities should therefore:

- Replace the minimum wage with a living wage rate that ensures employment provides sufficient income to enable individuals to - not merely live above the poverty line - but to afford a socially acceptable standard of living.
- Ensure that any living wage calculations are indexed to the current cost-of-living and reflect what the public believe is a minimum and decent standard that no individual should fall below.
- Extend the living wage to all workers irrespective of contractual status, amount of time in the job, age or other discriminatory criteria.

### 6.7. A social welfare system that works for young people

#### While we are calling for national authorities to stamp out precarious work, we also recognise that this type of work is presently a reality for

- 36 Temporary contracts are not inherently problematic and are necessary in certain seasonal sectors. Our argument is that when they become too widespread they can become more like traps than stepping stones, leaving young people going from one fixed-term contract to the next.
- 37 Government of the UK. (2018). Good work: the taylor review of modern work practices. Government of the UK.
- 38 ETUC. (2016). Young people and precarious work. ETUC.
- 39 ETUI. (2019). Statistics on in-work poverty in the EU. ETUI.
- 40 ETUI. (2018). Living wage is a relevant topic for Europe. ETUI.
- 41 Eurofound (2018), Concept and practice of a living wage, Publications Office of the European Union, Luxembourg.

many young people across the EU. To this end, it is crucial that social welfare supports and services are equipped to deal with the insecurity and uncertainty precarious young workers face. National authorities should therefore:

- Remove discriminatory age-based eligibility criteria to social support for young people such as that for minimum income, for instance.
- Ensure that there are a number of income supports that can be received in conjunction with precarious work, including transitional employment assistance.
- Ensure that there is adequate income support in place for those in precarious work, which is readily available and free of lengthy administrative burdens. This income support should be granted pro-actively and ideally automatically to avoid low-take up.
- Ensure that job support and training opportunities remain accessible throughout both periods of precarious employment and unemployment.
- Equip public employment services with the resources to move away from 'activation' that primarily focuses on a job-first agenda and put more emphasis on job quality and/or training.
- Introduce job quality metrics into welfare policies and refrain from having behavioural conditionalities and punitive sanctions, such as forcing people to take up poorly paid and insecure work.

### 6.8. Right to trade union access in all workplaces

The rise of precarious work and fragmented employment has coincided with a steady decline in trade union membership.<sup>42</sup> This decline is particularly pronounced among young people - leaving many young workers at the sharp end of insecurity and precarity, and alone without collective representation, crucial for addressing precarious work conditions and building collective voice in the workplace.<sup>43</sup> This decline in youth membership, however, is not a result of apathy toward the trade union movement. **Research has consistently demonstrated that young people across the EU hold favourable viewpoints on trade unions, indicating a discouraged or unmet demand for taking part in the trade union movement.**<sup>44</sup> Across European countries however, and to varying degrees in respective states, regulations often hinder what trade unions are able to achieve. This includes accessing and organising new forms of precarious work in which many young people are to be found. It is crucial that national authorities:

 Introduce or strengthen current legislation to guarantee a right to trade union recognition in all workplaces, including a right for trade unions to access their members in the workplace and engage in collective bargaining.

This could pave the way for a renewed emphasis on trade union organising among young people - and particularly those in precarious forms of work - that allows trade unions to:

- Recruit and encourage younger workers to organise where unions already have a footprint, but also in those workplaces and occupations that are almost union-free such as retail, care work, hospitality, catering and the various occupations tied to the gig-economy.
- Step out of institutional structures and workplaces and into the social networks of local communities where the majority of non-unionised young workers are to be found. Coalition building with local youth organisations and youth clubs can provide a means to broaden the base of unions to include people from all sections of society.
- Adapt their practices to ensure young people are empowered to create alternative approaches to organising from the bottom up.

42 Kurt Vandaele. (2020). Bleak prospects: mapping trade union membership in Europe since 2000. ETUI.

43 Ibid ref. 6

<sup>44</sup> ETUI. (2019). Unions are only as old as they feel: Lessons on young worker engagement from the UK, France, Germany, and the US. European Trade Union Institute.

### 6.9. Affordable and accessible mental health support

Alongside taking aim at the root causes of poor mental health among young people i.e., precarious work in this case - it is also crucial to ensure affordable and accessible mental health support in the now as a right and not a luxury. The gap between the need for and availability of mental health support and care afforded to young people is stark. Almost one in two young people across Europe reported an unmet need for mental health care in 2022. The extent of this issue becomes clear when we consider that for the general adult population the rate falls to 23%.45 Further research has shown that this gap is mediated by a number of primary factors: unaffordable costs, long-waiting lists, as well as lack of information on support routes.46 National authorities should therefore:

- Ensure that young people are guaranteed access to high quality, publicly funded mental health support according to need and readily available without the burden of long-waiting lists.
- This should encompass the provision of and access to easily accessible information and quality formal and non formal youth-focused mental health services in every educational institution, youth centre, employment office, cultural centre and other non-medical service points where young people seek support.

#### 7. An EU level response

Addressing precarious employment and the impact it can have on young people's mental health is also a task of the EU. The EU has shared competence in the area of employment and according to Article 153 under the Treaty of the Functioning of the EU can take action to improve the working environment to protect workers health and safety - for example via the legal form of a directive, which sets minimum standards and requirements. Looking further, the European Pillar of Social Rights explicitly refers to secure and adaptable employment as one of its twenty principles, stating that 'employment relationships that lead to precarious working conditions shall be prevented, including by prohibiting abuse of atypical contracts'.<sup>47</sup> In June 2018, the European Parliament also passed a resolution calling on the European Commission and EU countries to intensify their efforts in addressing precarious employment.<sup>48</sup> More recently, a number of Council conclusions have aimed to underscore the connection between precarious employment and mental health in EU policy initiatives, making the link more explicit.<sup>49</sup>

The EU has also taken concrete steps to establish a more binding legislative framework to combat precarious work. The Directive 2019/1152 on Transparent and Predictable Working Conditions extends basic protective labour rights to workers in precarious and atypical employment. The Directive 2022/2041 on Minimum Wages, if ambitiously transposed (before 4 October 2024), could significantly expand collective bargaining coverage for precarious workers and stamp out inadequate pay, particularly for young workers. The recent proposal by the European Commission for a Directive on Improving Working Conditions in the Platform Economy (Youth Forums position) provides another critical piece of the puzzle, aiming to establish new rules to stamp out bogus self-employment as well as unfair and untransparent use of algorithms.

Making full use of its competence under the Treaties, the EU should strengthen existing mechanisms in place to address precarious work, and proactively address legislative gaps, with a specific focus on mental health and precarious employment. This should include the following:

- 46 Renew Europe (2023). Mental Health Survey: https://www.reneweuropegroup.eu/campaigns/youth-mental-health
- 47 European Commission. (2018). European Pillar of Social Rights: 20 Principles. European Union.

<sup>45</sup> OECD/European Union (2022), Health at a Glance: Europe 2022: State of Health in the EU Cycle. OECD publishing, paris: <u>https://</u> read.oecd-ilibrary.org/social-issues-migration-health/health-at-a-glance-europe-2022\_507433b0-en#page1

<sup>48</sup> European Parliament, (2018). MEPs call on EU countries to end precarious employment practices, 31/05/2018, http://www.europarl.

<sup>49</sup> See for instance: (2023) Council calls for measures to address impact of precarious work on mental health, 09/10/2023, <u>https://www.consilium.europa.eu/en/press/press-releases/2023/10/09/council-calls-for-measures-to-address-impact-of-precarious-work-on-mental-health/</u>

### 7.1. Solid foundations: A youth perspective in all EU policy

Meaningful youth participation and understanding of their needs is a key prerequisite for the development of future-proofed policy that improves the lives of young people. This is no different regarding precarious work and mental health. It is therefore essential to establish a tool at the EU level in which the needs, opinions and experiences of young people are fairly represented in the design and implementation of all policies relevant to them - including those targeting precarious work and mental health.

The European Youth Forum has been a longstanding advocate for an <u>EU Youth Test</u> to bridge the gap between policy and young people's experience. In simple terms, the EU Youth Test sets out a framework for evaluating the impact that any new proposals may have on young people in the EU and identify any mitigation measures necessary to avoid any negative impacts. It also seeks to establish the meaningful participation of young people in all policy making.

The European Commission has recently committed to implementing a "Youth Check" - marking a significant milestone for the European Youth Forum.<sup>50</sup> This is meant to make sure that when the EU designs new policies, they think about how they will affect young people. **It should include the five pillars of our EU Youth Test** as this will help make sure that young people's needs are considered when making EU rules. The pillars include:

- Assessment of the relevancy of any legislation proposal to young people across all policy areas.
- **Meaningful engagement** with youth stakeholders including young people from representative youth organisations and experts.
- Impact assessments of draft proposals.
- Mitigation measures to address adversities on different groups of young people, especially groups living in vulnerable situations.

• **Transparency - publication of the results** of the EU Youth Test - for scrutiny by the other institutions and in youth-friendly language.

#### 7.2. A Reinforced Youth Guarantee against insecurity

The Reinforced Youth Guarantee is the only EU funding mechanism to specifically close youth unemployment gaps. While it provides the opportunity to close these gaps, its full potential is not currently met as it is unclear if member states are making full use of the funds available. The focal point of concern lies in the quality of employment opportunities offered, rather than solely the quantity.<sup>51</sup> The Reinforced Youth Guarantee, and future iterations of it in the upcoming EU budget programming cycle, should incentivise quality employment and training opportunities that result in positive long-term outcomes for young people, with targeted support to the most vulnerable NEETs (not in education, employment or training). The European Commission should continue to regularly monitor the implementation of the reinforced Youth Guarantee by the member states, who should collect data regularly and in a disaggregated way, which should then be made publicly available.

To achieve this, member states, with support of the European Commission as co-managers of the Reinforced Youth Guarantee, should include the provision of:

- EU funds encourage compliance by making quality standards an ex-ante conditionality for funds that are used for Youth Guarantee schemes.
- Secure employment with long-term prospects and access to social security systems.
- Fair pay based on a living wage.
- Decent working conditions with a safe workplace and protection for physical and mental health.
- A personalised offer that matches the young person's aspirations, experience, qualifications and skills.

<sup>50</sup> European Youth Forum. (2023). European Commission commits to a "Youth Check": <u>https://www.youthforum.org/news/european-</u> commission-commits-to-a-youth-check

<sup>51</sup> Youth Forum. (2021). Quality Standards for the Youth Guarantee. European Youth Forum.

### 7.3. A Minimum Wage Directive that works for young people!

The recently adopted Directive 2022/2041 on Adequate Minimum Wages in the EU aims to improve the adequacy of minimum wages for workers in the EU. Young people are the age group that will be most affected by the Directive. More than 1 in 4 young people are minimum wage earners, compared to 1 in 10 adults.52 In addition to being much more likely to earn the minimum wage, young people in many member states are not entitled to receive the full amount, and are instead paid a "youth minimum wage" that is often up to 30% lower than the adult minimum wage.53 While the final Directive falls short of outright banning variations and deductions in the minimum wage - it does call on member states to "ensure that those variations and deductions respect the principles of non-discrimination and proportionality, the latter including the pursuit of a legitimate aim".54 For the time being, it is a waiting game to gauge the impact of this Directive on the wages of young people, as member states have until November 2024 to enact the required measures for compliance.55 We call on member states and the European Commission to adopt the following recommendations respectively:

- Member states should ambitiously implement the provisions of the Minimum Wage Directive, including removing any age-based criteria that allows for variations on minimum wage to be paid to young people.
- As part of member states' obligation to update statutory minimum wages every 2 years, remove any age-discriminatory criteria linked with minimum wages.
- As part of the Commission's evaluation of the Directive in 2029, the Commission should

assess and mitigate any negative impacts on young people, such as the practice of youth minimum wages.<sup>56</sup>

### 7.4. A Directive on Adequate Minimum Income

An adequate minimum income accessible to all in need can provide a crucial income floor to ensure that no one falls below a decent standard of living - **irrespective of their relation to the labour market.** Unfortunately, and with little exception, almost all member states fall short of the mark in providing a sufficient minimum income to avoid the risk of poverty.<sup>57</sup>

Young people are further disadvantaged with a number of member states either directly excluding young people through age-based access criteria and/or indirectly through the means by which the level of support provided is decided. Many member states allocate the level of support based on household composition and not on individual need. Applying household-based means testing, which takes the assumption that members of the household pool and distribute their resources equally, can prevent young people from becoming independent and significantly reduce the amount they receive. In the spirit of the European Pillar of Social Rights and reflecting the content of the recent European Parliament resolution on adequate minimum income ensuring active inclusion (2023),58 the EU should take further steps to incentivise member states to adopt adequate minimum income support. The European Commission should therefore:

 Take further action through the introduction of a proposal for an EU Directive on Adequate Minimum income, to set minimum requirements and common standards across the European

- 55 European Commission, Directorate-General for Employment, Social Affairs and Inclusion. (2023). Report Expert Group Transposition of Directive (EU) 2022/2041 on adequate minimum wages in the European Union.
- 56 Ibid ref. 46
- 57 European Commission, Directorate-General for Employment, Social Affairs and Inclusion. (2023). The future of social protection and of the welfare state in the EU. Publications Office of the European Union.
- 58 European Parliament resolution of 15 March 2023 on adequate minimum income ensuring active inclusion: <u>https://www.europarl.europa.eu/doceo/document/TA-9-2023-0076\_EN.html</u>

<sup>52</sup> European Commission. (2020). Second phase consultation with social partners on fair minimum wages. European Commission.

<sup>53</sup> EESC. (2023). Opinion of the European Economic and Social Committee on the equal treatment of young people in the labour market.

<sup>54</sup> See Directive 2022/2041 on Adequate Minimum Wages in the EU here: https://eur-lex.europa.eu/eli/dir/2022/2041/oj

Union, ensuring: the removal of age-based eligibility criteria, inclusion of individual meanstesting, adequacy, regular updates of amounts to maintain adequacy, and an enabling character.

#### 7.5. No more unpaid internships

Unpaid internships have become a common feature of young people's experience in the labour market across the EU. **Our research estimates that, on average, an unpaid internship costs a young person upwards of one-thousand euros per month.**<sup>59</sup> Aside from the financial cost, unpaid internships can put a lot of pressure on young people's mental health, driving them into a pervasive insecurity and uncertainty. In June 2023, the European Parliament adopted a report<sup>60</sup> calling on the Commission to put forward a legislative proposal to ensure interns in the open market are remunerated and have access to social protection. The European Commission should therefore:

- Introduce a proposal for an EU Directive on Quality Traineeships that would guarantee quality, fair and paying working conditions for internships in the open labour market, ensuring: use of a written contract, remuneration at least at the level of the minimum wage, equal access to social protection, limits on length of traineeship to a fixed number of months, limits on the number of trainees per employer, and transparent advertisement on the conditions and learning objectives;
- Updated the Council Recommendation on the Quality Framework of Traineeships to expand its scope to include all forms of internships, including curricular internships, and to include explicit reference to remuneration and access to social protection.

### 7.6. Ending loopholes in the platform economy

In 2023, over 28 million people will have worked in the platform economy across the EU, the majority of which being young workers from marginalised backgrounds.<sup>61</sup> This figure is expected to rise to 43 million by 2025. Misclassification, health and safety issues, unfair wages, unlimited and/ or undefined working time, rating systems and possible algorithmic discrimination have come to characterise this new form of work - all to the detriment of workers and their mental health. Legislative loopholes have allowed platform companies to systematically push their workers into bogus self-employment, stripping many platform workers of their rights. As the negotiations between the European Parliament and the Council of the EU tip towards a final agreement on the Directive for Improving the Conditions of Platform Workers, it is crucial that the overall ambition - to stamp out bogus self-employment - is not lost or left devoid of any meaningful scope for achieving change. We reiterate our demands in which the Directive should include and aim for:

- A rebuttable presumption of employment with a reversed burden of proof. Those working for digital labour platforms must be recognised as workers without having to go through lengthy proceedings. In contrast, workers who are genuinely self-employed must not be, legally or in practice, controlled by and subordinated to the platforms.
- The burden of proof must be on the platform and not on individual workers or administrative or judicial authorities. Workers doing the same work for the same digital labour platform must have the same employment status.
- Any use of algorithms by platforms must be done so in a transparent way, with clear explanations on which decisions are being made by algorithms, to ensure fair working conditions. Decisions like ending an employment relationship cannot be left to an algorithm or any other artificial intelligence (AI) mechanism.
- The protection and promotion of worker-owned platforms as a solution to improving the conditions of persons performing platform work.

<sup>59</sup> European Youth Forum. (2023). The cost of unpaid internships. European Youth Forum

<sup>60</sup> European Parliament resolution of 14 June 2023 with recommendations to the Commission on quality traineeships in the Union

<sup>61</sup> European Youth Forum. (2020). The Future of Work and Youth. European Youth Forum

#### 7.7. The need for new EU legislation on mental health at work

Stress, anxiety and depression constitute the second most common work-related health problem affecting European workers.<sup>62</sup> The amount of workers who report facing risk factors that can negatively affect their mental health (psychosocial risk factors) is nearly 45% - up from 25% in 2007.<sup>63</sup>

At issue are the profound changes the world of work has gone through - not least the rise in precarious forms of employment that subject workers to greater job insecurity, income insecurity, poor overall working conditions and a lower level of workplace protection and rights. Young workers - as mentioned throughout - are particularly exposed to such risks given their disproportionate representation in precarious forms of work.

Despite the notable increase in exposure to psychosocial risk factors (PSR) across the EU in recent years, there is currently no EU-level legislation addressing PSR. The Framework Directive on Occupational Health and Safety 89/391/EEC requires member states to ensure the safety and health of workers, but with no specific mention of psychosocial risks it does not adequately address the new reality of work - especially concerning mental health and precarious work. At the national level, existing legislation is also falling behind - with insufficient attention being attributed to psychosocial risks in new forms of employment such as platform and gig work.64 New EU legislation that explicitly refers to psychosocial risks could pave the way for greater uniformity across member states and set minimum standards and requirements, raising the importance of protecting mental health to that of physical health at the EU level. The European Commission should therefore:

 Introduce a proposal for an EU Directive on psychosocial risks and mental health at work that refers specifically to new and emerging risks arising from precarious forms of employment.

#### 7.8. Prioritising youth mental health in the EU4Health Programme

The EU4Health Programme serves as the European Union's primary financial instrument for supporting health-related initiatives - including mental health. It aligns with the implementation of the European Commission's recently adopted (June, 2023) comprehensive approach to mental health, which lays out a series of actions to tackle the ongoing mental health crisis within the EU. This funding mechanism, however, has up until now failed to give adequate attention or funds to youth mental health specifically. Indeed, the 2021 mental health-focused action grants and 2023 call for proposals that could have included a focus on young people were allocated €750,000 and €2.36 million respectively. These allocations pale in comparison to the programme's overall budget of over over €5 billion. Moreover, the absence of a specific call to address youth mental health within the current program is evident. Young people were merely categorised as one of six groups eligible for focus in the 2021 action grants (EU4H-2021-PJ-07) and as one of ten groups in the 2023 call for proposals (EU4H-2023-PJ-03). In the forthcoming program, the European Commission must take decisive action by:

- Introducing a dedicated call tailored to address the mental health needs of young people, with conditions that facilitate the application process for youth organisations.
- Significantly increasing budgetary allocations for youth mental health within the current programming period and in subsequent iterations under the next Multiannual Financial Framework.

### 8. Conclusion

The discussion around precarious work practices often focuses on the need to ensure flexibility for employers. These discussions fail to take into account the detrimental impact that insecure and unpredictable working conditions can have on people's lives; not least their mental health. As was

<sup>62</sup> European Agency for Safety and Health at Work. (2023). Psychosocial risks and mental health.

<sup>63</sup> Claes-Mikael Stahl. (2023). Stress at work: Countering Europe's new pandemic. Social Europe.

<sup>64</sup> European Parliament. (2023). Minimum health and safety requirements for the protection of mental health in the workplace. European Parliament.

the focus of this paper - young people have been at the sharp end of this trend. In everyday terms, this has meant more jobs that only ever offer temporary contracts that have to be renewed on a monthly basis, jobs where the number of hours can be changed on a whim, jobs where a shift can't be turned down, because it's not certain when the next one will be. This, in a nutshell, for many young people, leads to uncertainty and insecurity of livelihood; a situation that greatly undermines their mental health.

This paper has made the case that precarious work is by no means inevitable. In fact, almost all of the recommendations made in this paper are within reach and currently exist in many European countries. It is not for a lack of imagination that precarious work can't be reduced and pushed out - rather, it stems from a lack of political will.

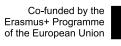
On a deeper level, there is a need for change on how work is seen and valued. How is it that some of the most socially valuable and useful forms of work such as food delivery, social care and rubbish collection are precisely those with the most dire conditions and the worst financial compensation? The recommendations outlined in this paper are rooted in the broader need to rethink work, the value of it, and the position of it in our lives. As a point of departure, worker's wellbeing and mental health, as a matter of human rights, must be prioritised. Work should pay and guarantee a decent livelihood. It should also be conducive to affording people a sense of control and agency over how they construct their time, leaving sufficient energy and time for people to engage with non-wage related activity, creative and community based endeavours as well as attend to the broader question of: what kind of life do we want to live.













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