

CREATING A FUTURE FOR YOUNG JOBSEEKERS

NYCI Position Paper on Youth Unemployment



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GLOSSARY OF ABBREVIATIONS

AnCo	Formerly the Industrial Training Authority
BTEA	Back to Education Allowance
BTWEA	Back to Work Enterprise Allowance
BTWA	Back to Work Allowance
CE	Community Employment
CSO	Central Statistics Office
DSP	Department of Social Protection
ESB	Electricity Supply Board
ESRI	Economic Social Research Institute
Enterprise Ireland	The government organisation responsible for the development and growth of Irish enterprises in world markets
ESO	Employment Services Officers
EU	European Union
EURES	The European Job Mobility Portal
FÁS	Irish National Employment and Training Authority
FETAC	Further Education Training Awards Council
G4IG	Graduates 4 International Growth
IDA	Industrial Development Authority
IVEA	Irish Vocational Education Association
JA	Jobseeker's Allowance
LCA	Leaving Certificate Applied
LES	Local Employment Service
LR	Live Register
LTI	Local Training Initiative
NEAP	National Employment Action Plan
NFQ	National Framework of Qualifications
NQAI	National Qualifications Authority Ireland
NYCI	National Youth Council of Ireland
OECD	Organisation for Economic Co-operation & Development
PAC	Policy and Advocacy Committee
PLC	Post Leaving Certificate
PRSI	Pay Related Social Insurance
Qualifax	National Learners Database
QNHS	Quarterly National Household Survey
RAS	Redundancy Apprentice Scheme
VEC	Vocational Education Committees
VTOS	Vocational Training Opportunities Scheme
UK	United Kingdom
TÚS	A new Government work placement initiative in the community sector
WPP	Work Placement Programme
Youthreach	Education & Training Programme for Early School Leavers

FOREWORD

The issue of youth unemployment is of significant concern to the National Youth Council of Ireland (NYCI) and one which we are revisiting for the second time in our history. The last time we focused on this issue was during the economic recession of the 1980's and 1990's. Fortunately the economy recovered and the issue fell off the political agenda. In recent years the onset of an economic recession has brought youth unemployment back into the spotlight and it currently forms an integral part of our policy agenda.

Over the last two years youth unemployment has trebled and is now one of the single greatest challenges facing Ireland in 2011.



Ireland has the second highest youth unemployment rate in Western Europe with up to 1 in 4 young people between 17-25 years of age jobless and 1 in 3 young men unemployed. It is against this backdrop that NYCI and its Policy and Advocacy Committee started working in earnest to examine the problem and look for solutions to effectively address youth unemployment.

It is very evident that we need to act immediately and implement a strategy to ensure economic recovery and get people back to work. If we don't act now, the consequences for our country and young people will be devastating.

I welcome the publication of this position paper which represents the culmination of a considerable amount of work on the issue of youth unemployment. I would like to thank in particular the authors of the position paper, Ms. Marie-Claire McAleer and Mr. James Doorley for their work in drawing it together. The document clearly outlines a number of key policy recommendations, which, we believe if implemented will greatly contribute to addressing youth unemployment.

The position paper is informed by a series of inclusive and comprehensive consultations with key stakeholders including young unemployed people and our member organisations, along with the quantitative and qualitative research we have undertaken on the issue.

I am confident that this resource will be invaluable for our advocacy work on behalf of the many young unemployed people struggling to survive in an extremely challenging Ireland.

Orlaith McBride
President
National Youth Council of Ireland



ACKNOWLEDGEMENTS

During 2010 the National Youth Council of Ireland conducted research and held a series of consultations with a broad range of key stakeholders on key research questions pertinent to the policy discourse on youth unemployment. This research coupled with consultations with young people, experts in the area, educational partners and member organisations, along with a national conference on the issue has resulted in the formulation of NYCI's Position Paper on Youth Unemployment.

The paper provides reliable, comprehensive and evidence based positions which we intend to use to campaign on further throughout 2011. It outlines NYCI's positions in respect of a number of key issues under the heading of youth unemployment. The position paper draws from NYCI's Conference Report and the qualitative research where relevant, to support a number of key recommendations contained in the report.

The formulation of this position paper would not have been possible without the guidance and direction from NYCI's Policy and Advocacy Committee (PAC) which was chaired by Ms. Marie Fitzpatrick.

We would like to acknowledge the time and commitment of each and every member of the PAC who read and re-read drafts along with making very useful and insightful inputs and suggestions at various stages of the development of the position paper.



1 | INTRODUCTION

The National Youth Council of Ireland is the representative body for voluntary youth organisations in Ireland. The organisation functions to represent the interests of young people and youth organisations. NYCI's role is recognised in legislation (Youth Work Act) and as a social partner. Through its member organisations and its representative role NYCI aims to empower young people to participate in society as fulfilled confident individuals. The work is based on principles of equality, social justice and equal participation for all. In achieving these aims NYCI seeks the emergence of a society in which young people are valued citizens who can make a meaningful contribution to their community.

- Youth unemployment, having trebled since 2008, is now however one of, if not *the* single greatest challenge facing Ireland in 2011.
- Ireland now has one of the highest rates of youth unemployment in Europe - 24.2% among 15 to 24 year-olds compared with an average rate of unemployment of 19.9% for the 27 European Union member states in 2009.
- The scale of the problem is also masked by a very significant increase in the number of young people re-entering or remaining in education, and a very considerable increase in the number of young people emigrating.
- 81,280 young people under 25 years on the Live Register (CSO, December 2010).
- Ireland has 2nd highest youth unemployment rate in Western Europe.
- 1 in 3 young men under 25 or 33.2% are out of work (CSO, December 2010).
- 1 in 4 young people under 25 or 24.9% are out of work (CSO, December 2010).

Background

The current level of unemployment in Ireland is alarming. The unemployment rate has risen to 13.4% - the second highest in the EU (CSO, January 2011). In December 2010, there were 437,079 people on the Live Register. The number of people signing on fell by 6,900 to 439,200 in January 2011 (CSO).

Young people under 25 years have been the most adversely affected by an increase in unemployment in Ireland. The most recent figures show that 81,280 of those on the Live Register in December 2010 were under the age of 25. Furthermore youth unemployment has trebled since 2008 with 1 in 3 young men under the age of 25 out of work.

These figures are reminiscent of the 1980's and early 1990's when the country experienced both long term and endemic unemployment which left a lasting legacy of emigration. How public policy responds to this social and economic dilemma is of paramount importance.

Objective

It is intended that this paper will provide a comprehensive discussion of:

- Young unemployment.
- The key factors affecting those who are unemployed with a specific focus on young people.

- An exploration of how to meet their needs and provide them with support to re-enter the labour market.
- An analysis of current public policy and its implementation.
- Solutions to the problem of youth unemployment.

This position paper will describe the current economic situation giving rise to loss of jobs and an increasing unemployment rate. It will define the nature and scope of the unemployment crisis – outlining the prevalence of unemployment and exploring the profile of the new unemployed. The impact of unemployment on the young person focusing specifically on the social and emotional repercussions of being unemployed will be addressed.

In conclusion the paper will provide a number of measures NYCI consider as feasible options to employ in responding effectively to the problem of youth unemployment. Attention will be given to a number of initiatives, which have the potential to provide a coherent and integrated response to young people experiencing unemployment.

Economic Context

As a small open economy, Ireland has been affected greatly by the global economic recession. Sectors such as construction, retail and services where young people were heavily employed shed thousands of jobs. Soaring unemployment rates, high levels of personal debt and crippling increases in income tax have left many individuals and families in difficult economic circumstances. Given the bleak employment conditions it is estimated that up to 60,000 young people have emigrated to date.

In fact more people are leaving Ireland than anywhere else in the European Union. According to figures published by Eurostat, Ireland is exhibiting high rates of emigration. The net outflow from Ireland was 9 people per thousand in 2009. The rates of departures from Ireland in 2009 was almost twice as high as the country with the second highest exit rate, Lithuania, which lost 4.6 people per thousand. It has been argued that this significant outflow could be explained by the fact that many non-Irish nationals who came to Ireland to work during the economic boom are leaving as they no longer have work. Young Irish males, however, are deemed to be the second largest group of migrants and the ESRI has predicted a mass exodus of 1,000 people a week from our shores (ESRI, Jan 2011)¹.

The recently published NYCI research *'The Forgotten Generation'*² tells the story of a country that has for the most part failed to support many young people as they search for work. Many have identified emigration as the only option left to them.

The research found that a striking 70% of 90 young people interviewed agreed that it is more likely - rather than less likely – that they will emigrate within the next 12 months in response to their status of being unemployed (2010). This finding is very much in line with forecasts made by the ESRI in relation to emigration.

Young people and particularly those leaving school or the education system with poor qualifications or redundant skills are in the most precarious position. In an ESRI publication by Byrne, D & McCoy, S entitled *'School Leavers: How Are They Faring?'* the link between those

¹ ESRI (2011) *Quarterly Economic Commentary, Winter 2010*. ESRI Forecasting Series. Dublin: ESRI.

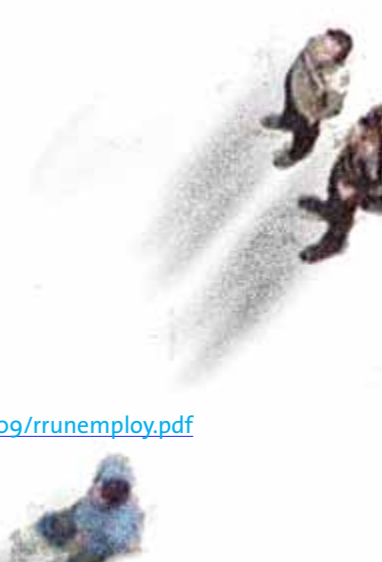
² NYCI (2011) *Youth Unemployment in Ireland – The Forgotten Generation. The Experience of Young Jobseekers & Their Interaction & Engagement with Key State Support Services*. Dublin: NYCI.

leaving school without a qualification and poor labour market status was affirmed. The report documented recent evidence from the School Leavers' Survey which suggests that young people who enter the labour market after leaving school are likely to be particularly vulnerable in the current economic climate (ESRI *Research Bulletin* 2009/1/2: 1).

Young adults continue to be the group with the highest risk of unemployment and the rate has increased further since the time of the survey (QNHS Q4 2008). In light of this education and training is vital. Byrne and McCoy contend that 'adequate preparation in terms of educational and vocational qualifications will be more important than ever in ensuring young adults are equipped to take advantage of a shrinking pool of job opportunities' (ESRI *Research Bulletin* 2009/1/2: 2).

Accordingly to statistics published by the Department of Finance the majority of those losing their jobs were earning less than €30,000 per annum and 58% of unemployed social welfare applicants were single.³

³ <http://www.finance.gov.ie/documents/publications/reports/2009/rrunemploy.pdf>



2 | WHAT IS UNEMPLOYMENT?

It is important before one starts to discuss unemployment and its impact to first define what it is and how it is measured. This section attempts to define unemployment in a number of ways and discuss how it is measured.

Defining Unemployment

There is a myriad of definitions to describe unemployment and the various types.

Unemployment itself can best be described as the “*number of people who are jobless in an economy. Unemployment is measured in terms of unemployment rate which is derived from the number of people who are unemployed divided by the total labour force.*”

It has also been described as “*a state in which an individual is looking for a job but not getting one, however unemployment does not include students, retired people or children.*”

The term unemployment may include three **types of unemployment** – cyclical, frictional and structural. **Cyclical** unemployment relates to business cycles and where low aggregate demand prevails - the result is a decline in investment and as a result lower employment levels. **Frictional** unemployment refers to people who are between jobs or temporarily looking for new ones. Frictional unemployment can also describe both ‘wait unemployment’ and ‘seasonal unemployment.’ The former describes a situation whereby workers will wait to obtain a high paying job and the latter is a result of employment that is dependent on the season. **Structural** unemployment occurs when there is a change in the economy and therefore a mismatch between the skillset and qualifications of a workforce and the work available. Structural unemployment aptly describes the Irish situation especially in relation to the construction industry which boomed and then slumped leaving many unemployed builders, electricians, tradesman, solicitors, architects, etc., Another term used in relation to unemployment is ‘disguised unemployment’ or ‘under employment’.

Prevalence of Unemployment

Unemployment in the European Union

Ireland is not unique when it comes to unemployment. The issue is a concern throughout the European Union and internationally, however, at present it does exhibit one of the highest rates of unemployment in the EU.

In 2008, Ireland still had one of the lowest unemployment rates in the EU, at 4.7%. At this time it compared favourably to other member states with only eight EU countries having a lower rate. By February 2010 Ireland’s overall unemployment rate had increased dramatically to 13.2%. Only five EU countries had a higher rate of unemployment with Latvia, Lithuania and Estonia seeing such dramatic deterioration in their labour markets during this time period.

Young people on the Live Register

The Live Register is not designed to measure unemployment as it includes people who are working less than three days a week (where this is not their normal employment pattern and they remain available for full-time work), systematic short time workers, and casual/seasonal workers who can also be entitled to an unemployment payment.

The number of young people signing on the Live Register tends to fluctuate quite a lot. In August 2009, the number of young people peaked at 95,745. This figure receded to 83,362 by November 2009, reflecting the growing numbers of young people returning to education and training. Since the beginning of 2010, however, the numbers increased again to 94,584 (July 2010). The most recently published figures, however, reflect a fall in the numbers signing on by 6,900 in January 2011 – the largest seasonally adjusted drop on record – pushing unemployment down to 13.4%.

Of the 442,677 people signing on in January 2011, some 64% are short-term claimants who have been on the dole for less than a year – down from 76% last January. Long-term unemployment has risen by 56% in the past year to 160,000, far faster than the 1.3% increase in the overall numbers signing on.

Long-Term Youth Unemployment

The longer young people are unemployed and not engaged in training, education or work experience, the more difficult it is for them to return to work. The worrying aspect of the current employment crisis is the growing numbers who are long-term unemployed (more than 12 months). 27,154 young people under 25 years who are currently in receipt of Jobseeker’s Allowance have been on the Live Register for one year or more⁴.

Who are the young unemployed?

Young unemployed people are a diverse group and come from many different socio- economic and educational backgrounds. For the purposes of this paper we have focused on three categories of young people – those with no formal qualifications, secondary qualifications and third level qualifications.

Young people with no formal qualifications

Young people with no formal qualifications are perhaps the most vulnerable during an economic recession. Their lack of accredited skills and qualifications make it harder for them to secure employment and it is for this reason that they require significant support from the State. Even during the economic boom period, many of these young people struggled to gain employment.

Young people with secondary qualifications

Many in this category hold Junior and Leaving Certificates and entered the labour market into sectors such as construction, retail and the services sector, including many into apprenticeships.

Young people with third level qualifications

Large numbers of graduates are leaving college with third level qualifications and have very little prospect of employment in the near future. Some are opting to remain in education, while others are emigrating.

⁴ Dáil Question, 25th January 2011.

3 | THE SOCIAL & ECONOMIC IMPACT OF UNEMPLOYMENT

How does it feel to be unemployed?

NYCI's research 'The Forgotten Generation' describes very well how it feels to be young and unemployed in Ireland today.

The research provides an invaluable insight into the views and attitudes of key segments of the young unemployed and explores in great detail their experiences of engagement and interaction with the key State employment, training and income support services.

According to the research there is little to separate the three youth segments – early school leavers, those with a Leaving Certificate and/or apprenticeship qualifications, and third level graduates - in terms of their feelings towards being unemployed.

The research reveals that in some cases many young people felt instances of depression and stress. Financial shortage was also highlighted frequently and in many cases was thought to contribute to the young jobseeker's sense of isolation and their experience of frustration and hardship (2010: 8).

"I knew for my last year or two in college that it could be very difficult to find a job and so I had kind of braced myself for it mentally...but after a few months you do feel down, you get more and more out of the loop, you probably go out less and less and become more insular..." **Young job seeking third level graduate (Urban)**

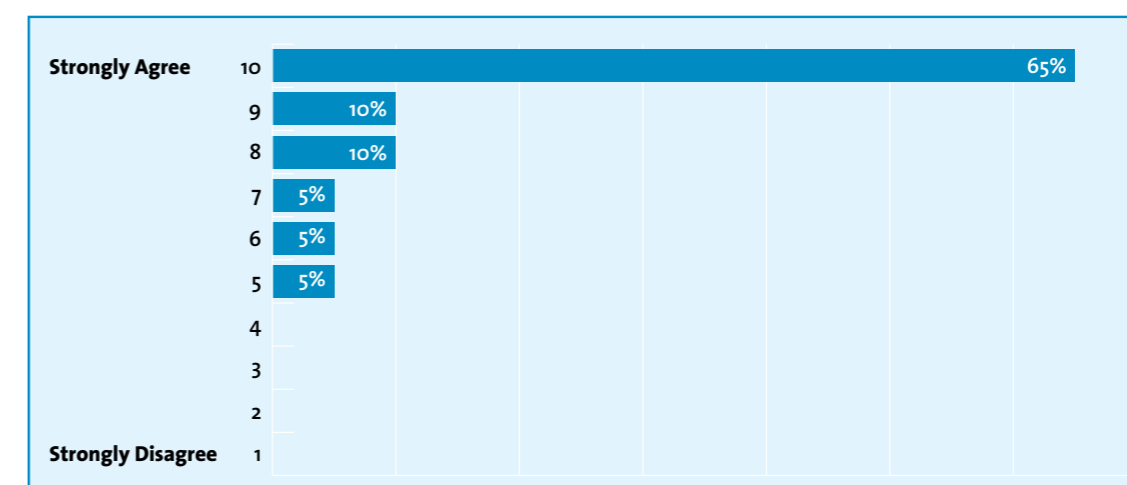
"You can't help but feel low....I try to stay positive as much as I can but you are anxious about the future, wondering what best to do, what lies in store for me..." **Young jobseeker with Leaving Certificate and/or apprenticeship/vocational training qualifications (Urban)**

"...I hate it (being unemployed). It looks like you are doing nothing but after a year of it (unemployment) I actually felt more tired now than I ever did after a weeks work on the (construction) site. It just seems to get in on you....It's very wearing..." **Young job seeking early school leaver (Urban)**

"Just sitting at home and depressed, it is horrible. I started to feel bad after being unemployed for about 3 months." **Young job seeking early school leaver (Rural)**

Of the 90 young jobseekers that were interviewed on a one to one basis as part of this research process a very considerable, and worrying, 65% 'very strongly' agreed that being unemployed has had a negative effect on their sense of well being. Indeed there was little if any disagreement among the circa 150 young research participants that one's sense of well being is negatively affected as a result of unemployment.

'Being unemployed has had a negative effect on my sense of well being'



There was significant concern that a prolonged period of job searching would make it very difficult for a young person to integrate themselves into the workforce when the economy does 'pick up' in a number of years time. Indeed many of the young research participants were fearful that they would be 'left behind' when employment opportunities become more available in years to come due to the lengthy period of inactivity and their lack of workplace experience.

According to Bell & Blanchflower⁵ unemployment has a negative impact on both mental and physical health. Unemployment is associated in particular with high levels of stress, causing unhappiness, loss of self-esteem and depression. The psychological impacts are understood to persist over time while unemployment that is longer in duration is more likely to produce harmful effects. Furthermore the longer a person is unemployed, the greater the disadvantage they face in trying to find work. Long-term unemployment also greatly impacts on one's morale and self-esteem.

Absence of Youth Specific Response

There appears to be no co-ordinated, coherent or focused policy approach developed in response to the pressing needs of young jobseekers in Ireland, particularly those who have yet to gain experience in the labour market. These young jobseekers are vulnerable individuals, many of whom are most concerned that their long term futures will be damaged – possibly irreparably - by a period of sustained unemployment. The experience of unemployment has left many of the young jobseekers feeling 'scarred' and 'damaged'.

The young unemployed people consulted during the course of the research described their experience of unemployment as one which is accompanied by a number of negative feelings such as low self-esteem and low morale, feelings of hopelessness, despair and lack of choice, and in some cases admissions or instances of depression and stress.

Regardless of qualifications and educational attainment many young unemployed people felt vulnerable trying to compete for work because of their lack of work experience which

⁵ Bell, D.N.F & Blanchflower, D.G. (2009) *What Should Be Done About Rising Unemployment in the OECD?* Bonn: IZA. Discussion Paper No. 4455.

inevitably placed them in a very difficult position compared to those who already had previous work experience.

- Of the 90 young jobseekers that were interviewed on a one to one basis *all*, or 100% of respondents, agreed that the ‘*prospects for securing rewarding employment in Ireland are not very good*’.
- Of those 90 young interviewees 70% agreed that it is more likely – rather than less likely – that they will emigrate within the next 12 months in response to their status of being unemployed here in Ireland.
- Among the 90 interviewees 90% were in agreement that ‘*being unemployed has had a negative effect on my sense of well being*’.
- Of the 90 young jobseekers interviewed following their meeting with a Social Welfare ‘Jobs Facilitator’ only a somewhat disappointing 32% awarded a satisfaction rating above the ‘mid point’ on a 10 point satisfaction scale – where 1 equals ‘very dissatisfied’ and 10 equals ‘very satisfied’.

The Implications of Unemployment for the Individual

Unemployment can have a detrimental impact not only on the individual, but also on society at large. At the individual level, being made redundant or experiencing unemployment can be a devastating experience for many and can leave the individual isolated and vulnerable to poor mental and physical well-being. *Delaney* argues that unemployment has the same psychological impact as a chronic illness or divorce.⁶

Financial difficulties and job insecurity are significant factors in depression, anxiety, stress and suicidal thoughts. International evidence suggests that during periods of sharp and sustained increases in unemployment, people out of work are three times more likely to consider suicidal behaviour. Even among people with no record of mental illness, unemployment is still associated with about a 70% greater suicide risk.

Unemployment increases people’s susceptibility to malnutrition and illness, increasing the likelihood of poor health outcomes in later life. It can also reduce life expectancy and is associated with high levels of stress, unhappiness, loss of self-esteem and the onset of depression. Research confirms that the psychological impact persists over time.

The negative impact of unemployment tends to be more profound when one’s experience of unemployment is prolonged and becomes a long-term status. Long-term unemployment often results in a loss of skills and human capital. Furthermore for many their prospects become greatly hampered the longer they remain unemployed with re-entry to the labour market much more difficult.

The repercussions of unemployment at a personal level can be difficult at any age but for a young person at the start of their career it can be very damaging and raises the probability of them being unemployed in later years. Furthermore it can also result in a ‘wage penalty.’

⁶ Delaney Liam, *Psychological Consequences of Recession in Ireland*, UCD Symposium, March 2010

The Societal Impact

Society is greatly affected by an increase in unemployment and it often gives rise to an increase in social problems and crime. Furthermore when a society exhibits high unemployment there is also a constant fear of becoming unemployed in the future. According to *Bell & Blanchflower* such a concern impacts negatively on “one’s subjective wellbeing” (2009:15).

The Irish Recession & Policy Response

Often the initial response to recession is the emergency shedding of staff for survival, but this quickly moves to a reduced expectation of labour needs and usually results in a recruitment freeze. The pressure then falls on those trying to enter the labour market, mostly young people, and the door is shut at the entry point. The norm is that those who are more educated re-enter at a lower level than before until those at the bottom have nowhere to go. Wages also reduce and this leads to unstable, temporary, low-quality employment for those at the bottom.

Unemployment is largely concentrated on a small percentage of the population who find themselves in a cycle of unstable, low paid employment or ‘low pay, no pay cycle’. According to *Gregg* young people find themselves unable to develop the skills or experience to break the cycle (Presentation at NYCI’s Youth Unemployment Conference, October 2010)⁷.

Gregg contends the choices for Ireland moving forward are limited.

The micro-economic strategy for youth employment has a number of facets:

- Delaying entry into the labour market through education.
- Integration of benefits and employment services to ensure people are kept active in their job search. Often it is too easy for young people to give up when faced with constant rejection.
- Assist people to gain work by introducing work experience that marries skills and training with where jobs exists. Work experience should carry the basic tenets of work, i.e. that it is paid for and there is a guaranteed job or interview at the end. This needs to be connected with employers (private sector) and should be an automatic system regardless of the economic situation.
- Policy should not wait for the crisis as there are always certain groups of people affected by unemployment in and out of recession and we should always be ready to respond.

Various aspects of *Gregg’s* micro-economic strategy will be discussed further in the context of the Irish situation in Section 6 of the report.

⁷ NYCI Youth Unemployment Conference Proceedings Report October 2010.

4 | HOW DOES THE SYSTEM RESPOND TO UNEMPLOYMENT?

To fully comprehend what it means to be a young person unemployed in Ireland it is important to understand how the system works. By the system what do we mean? Essentially we are referring to the public services, established in a piecemeal manner to respond to a changing population over the last 30 years.

This section outlines the type of services available to a young person who finds themselves classified as unemployed. It also draws from the research and incorporates the views of the young people in relation to their experience of engagement with the Public Employment Services. It identifies seven core support requirements the young jobseeker felt would be essential to improving the existing service.

It is important to note many of the programmes referred to are currently subject to review.

FÁS programmes have two categories: The National Employment Action Plan which serves to ensure an individual is 'activated'. The activation happens by way of referrals from Social Welfare. After three months of 'signing on' an individual is required to undertake a guidance interview. The other category of clients is the 'walk-in' who walk in off the street, register and voluntarily avail of the service.

One of the main criticisms levelled at the public employment and training system along with the education system is the way it is structured. In its current form it fails to recognise the diverse profile of unemployed people and the vast differences in the needs and skill sets of the people it serves. As a result it lacks the essential flexibility and person centred approach required.

The system, in particular the public employment and training system along with the education system, must be reconfigured to provide a service which strives to respond to the needs of its clients whilst ensuring programmes are run in a cost effective manner. It is not an easy endeavour and the challenge is not to be underestimated.

The OECD review⁸ presents a Public Employment Service that is not fit for purpose and is failing young people. The report is highly critical on a number of grounds and makes a number of key recommendations to improve the service. These recommendations relate to the need for a more client centred service which focuses on the user and provides much more employment counselling and support for the user. For further information on the OECD report see <http://www.oecd.org>.

⁸ Grubb et al, *Activation Policies in Ireland*, OECD Social, Employment and Migration Working Papers No. 75 January 2009.

Core Support Requirements to Improve the Existing Service

The qualitative research that NYCI commissioned explored the relationship the young unemployed person had with the Local Social Welfare Office Network and FÁS. The findings are extremely interesting and have helped to identify 7 core support requirements young jobseekers felt would be essential to improving the existing service. Young jobseekers acknowledged that these services are now 'over-stretched,' having to respond to the impact of the recession and the rapid growth in joblessness. The seven key themes which emerged from the research are:

1. The importance of customer service and those who underpin it.

The quality and commitment of service personnel is critical to the successful delivery of these two key services. As a very substantial part of the interaction with the Public Employment Service is with a person, the attitude and approach will have a very significant influence on the jobseeker's experience of the service. Empathy is therefore an important characteristic of good service as young jobseekers are particularly anxious to be 'actively listened to.' Customer service is most important not only in practical terms but also in 'emotional' terms – young jobseekers, understandably, want to feel that they 'matter.'

Emphasis was placed on the importance of speed in decision making on applications for welfare benefits and the desire for Social Welfare to keep the applicant informed on the status throughout the decision making process. It was suggested that it would be easier to develop a rapport with the service personnel if the client were to meet with the same staff member on each visit. This, however, rarely if ever happens – a key criticism of the two services. Privacy in discussions with the Social Welfare Local Office Service personnel was also identified as an important service dimension which the young jobseekers thought was missing completely from the experience.

2. Consistency of service delivery

Young jobseekers want consistency in the standard of delivery offered by the two services. It is seldom, however, simply a case of good or bad service. Overall the two were thought to be 'inconsistent' in their standard of service delivery. In particular the length of appointments and quality or depth of discussion was thought to vary considerably from day to day. The vast majority did not see the same representative on consecutive appointments. It was suggested that the 'assignment' of a single advisor would allow the establishment of a better rapport and understanding of the clients' circumstances, personal interests and career related objectives. This would allow the services to co-ordinate their approaches more effectively and to provide a more tailored and personalised service for each individual jobseeker.

3. Ease of understanding as to what to expect and the setting of a realistic length of time to process a social welfare application.

The lack of understanding as to what jobseekers could expect from the two services was very clear. Many young jobseekers were largely unaware of *what* they were entitled to and *when* they were entitled to it. There was lack of understanding of the different schemes and allowances that may be available and many suggested they were at a real disadvantage as they could not make 'best use' of the services if they do not know what services, schemes and entitlements are actually available. The current lack of certainty and open ended nature of the application process was also a real point of concern and frustration for many of the research

participants – ‘Will my application ever be approved?’

4. An efficient method of data collection, retention and provision.

Young jobseekers were very dissatisfied with the approach of Social Welfare in collecting and recording personal information. Indeed the service was often characterised as having a complete ‘absence of institutional memory’. Instances were highlighted where detailed personal circumstances and ‘histories’ were provided, but were not then available at subsequent interviews which often meant the client had to re-explain their circumstances in the same level of detail.

5. Smooth process of referral from one key service to the other.

Social Welfare is clearly the first ‘port of call’ for the majority of young jobseekers. There is considerable uncertainty, however, as to *how* FÁS can help them. Indeed many are unaware of the wide range of training and employment related programmes and services that FÁS can offer. There was also much confusion as to *who* FÁS is focused on providing support for. Most importantly there was a clear sense of frustration with the absence of a single ‘one-stop shop’ that would provide a rounded package of supports – social welfare benefits, career planning, job searching skills, personal development skills, training and education – through a single, well organised, sufficiently resourced, and co-ordinated structure.

6. Tailoring of the service offered to match individual client requirements.

Young jobseekers want their individual circumstances, qualifications, training and career aspirations to be taken into account. The majority, however, felt the two services adopted a somewhat generic and overly rigid approach in dealing with the young unemployed. It was suggested that there is little if any acknowledgement of personal circumstances or training and educational history. Jobseekers stressed that age is not *the* single, most important defining category. Instead it was emphasised that it is *not* appropriate for the two services to treat young jobseekers as a single homogenous group – as is currently happening. Instead educational attainment and personal aspirations should influence the nature of service provision. Both services were thought to be particularly ‘challenged’ in responding effectively to the specific, and possibly more specialist, support needs of third level graduates.

7. Provision of unrestrictive and high quality job information.

The young jobseekers were somewhat critical of both services in terms of their proactive offer of advice. Jobseekers often had to ‘encourage’ the advisor to provide more direct advice or guidance particularly in relation to training, education and work placement opportunities. The current heavy workload experienced by both services was largely blamed for the present emphasis on this ‘functional processing’ rather than the ‘active engagement’ desired by so many. It was for these reasons that such a significant proportion of the young jobseekers interviewed on a one to one basis rated the service experience ‘poorly.’ **Of the 90 young jobseekers interviewed following their meeting with a Social Welfare ‘Jobs Facilitator’ only 5% rated the quality of the information/support or ‘counselling’ provided above the mid point on a ten point scale.**

In conclusion, there is a need for the development of relevant programmes to enhance the skills and workplace capabilities of young jobseekers and to enhance their employability as quickly as possible.

Public Employment Service Reform

While the integration of the Public Employment Service of FÁS and the benefit functions of the Department of Social Protection are to be tentatively welcomed, there must be much more change in how systems are funded and regulated to ensure value for money and efficiencies. The service also needs to be re-orientated to meet the needs of jobseekers.

Both FÁS and the Social Welfare Local and Branch Offices have a key role to play in supporting young people as they bid to secure employment. At present, however, the Public Employment Services are over stretched and are not meeting the needs of jobseekers. Young people are likely to be particularly affected by the lack of human resources as they tend to require more intensive intervention such as greater advice and guidance counselling.

A key feature of the employment services is meaningful engagement by public employment staff with jobseekers. This requires sufficient numbers of staff to deal with the demand. It is clear that there is not enough frontline staff. *Grubb*⁹ notes that only about 275 persons in FÁS were Employment Services Officers (ESO). As outlined above taking FÁS and LES (Local Employment Services) together there were 1,934 salary earners per employment officer in Ireland. In Australia and many European countries, the average is about 700-800 salaried persons per Employment Officer.¹⁰ Therefore the number of staff engaged working face to face with jobseekers to assist them into appropriate training, education and work is at least half of what it should be.

The integration offers an opportunity for Government to develop a ‘one-stop shop’ where staff can engage with jobseekers on both benefit eligibility and job counselling. The ‘one-stop shop’ should provide a person centred approach with individually tailored support needed for course allocation, career planning and job applications. Such a model of integration should go beyond physical co-location and ensure real operational integration of services to provide a holistic employment support service for jobseekers. It should also include a proper individual skills audit which is designed to assess the needs of the young person using the service.

The current number of Employment Officers should be increased either through recruitment or by re-assigning staff from other areas of the public service to engage in job counselling and support.

Recommendations

- Integration should result in the establishment of ‘one-stop shops’ at all locations where jobseekers can get all the supports and advice they require.
- Develop a charter of rights for young unemployed people.
- Increase the number of public employment staff either by recruiting more Employment Officers or by re-assigning staff from other duties to work directly with jobseekers.

⁹ Grubb et al, *Activation Policies in Ireland*, OECD Social, Employment and Migration Working Papers No. 75 January 2009, Section 75, Page 37.

¹⁰ Grubb et al, *Activation Policies in Ireland*, OECD Social, Employment and Migration Working Papers No. 75 January 2009, Section 73, Page 36.

5 | FÁS

Background

This section outlines the work of FÁS – an integral part of the Public Employment Service. Established in 1988 as a result of a merger of the Industrial Training Authority (AnCo), the National Manpower Service and the Youth Employment Agency in 1988, FÁS is the agency responsible for providing training for the unemployed.

FÁS 1988 – 2009

The limitations in the service provided by FÁS over the last two decades stem from the fact that the agency's primary focus was to provide delivery of training rather than to ensure job counselling and matching. In this regard FÁS had a much wider remit compared to other OECD countries, with a mandate to train both employed and unemployed workers. According to the OECD Report, "there were many more employed than unemployed participants in FÁS training programmes."¹¹

Indeed FÁS have in recent years faced a barrage of criticism for inefficiencies in expenditure and in the quality of the service provided. Much of the former relates to issues of corporate governance and shall not be addressed in great detail in this report. For a full and comprehensive analysis of FÁS please see the OECD Report Activation Policies in Ireland – <http://www.oecd.org>.

Young People's Views of FÁS

It is important to reflect in this document the views of the many young unemployed people we have consulted about their experiences of using FÁS. The opinions and experiences of the young clients are overwhelmingly negative.

At a recent NYCI conference exploring the issue of unemployment, young people were extremely critical of the service and called for it to be completely overhauled to ensure it is relevant and appropriate to their needs.

FÁS was perceived to be unsuitable to young people. As an agency it was regarded as 'totally irrelevant' to recent graduates and recently unemployed. Conference delegates stated that FÁS programmes were not user friendly and conditions for eligibility were seen to be very inflexible.

Many young people suggested that there is no consistency of service – often it totally depends on the official dealing with your case. Other concerns were that trainers are not adequately trained and the absence of a national standard for courses was resulting in poor delivery of training. It was also highlighted that there is no real appeals or grievance mechanism for FÁS.

Recommendation

- Develop a section in FÁS targeting young people - working in partnership with youth organisations to ensure that it is best placed to meet the real needs of young people and receive a smooth process of referral from one key service to the other.

¹¹ Grubb et al, Activation Policies in Ireland, OECD Social, Employment and Migration Working Papers No. 75 January 2009, Section 295, Page 111.

FÁS 2009 – Present

The agency states that it "strives to do this through the provision of tailored training and employment programmes that suits everyone's needs" (FÁS website; 2010).

Such a task in the current economic context with growing rates of unemployment is very challenging and requires a very strategic and focused approach. In the last year FÁS has undergone a number of changes in the service it provides. Under the direction of a new Director and Board, FÁS has shifted the focus of its work from providing training for people in employment to providing training specifically for the unemployed.

The agency has also undergone a restructuring and from September 2010 the policy responsibility for the Employment and Community Service now belongs to Department of Social Protection and the skills section becomes the policy responsibility for the Department of Education & Skills.

There are a number of interventions tailored to meet the needs of unemployed young people. The following is an outline of FÁS interventions aimed at a diverse range of young people from early school leavers to graduates.

Graduates

Graduates have a number of job requirements. The usual route when a graduate engages with FÁS is that they meet with a Guidance Officer and are then offered different types of courses that may meet their needs. The training courses could provide traditional specialist training or a traineeship so that they can benefit from work experience. There are also evening courses and online training.

Review & Expand Work Placement Programme

NYCI supports the Work Placement Programme, in that it allows young people to acquire job experience. As of 15th December 2010 the number of public sector bodies who have applied for and have been approved to participate in the Work Placement Programme is 206. 559 private employers applied for and were approved to participate in the Work Placement Programme in 2009. In addition, the number of private employers who have applied for and were approved to participate in the programme to 15th December 2010 was 3,772. FÁS does not collect data on a county basis but rather on its regional structure.¹²

The number of applicants who have been placed and commenced work under the Work Placement Programme to 15th December 2010 is 2, 574.¹³

Budget 2011 announced that the number of places on the Work Placement Programme will be increased from 2,000 to 7,500 places. 5,000 places will be in the public sector and the remaining 500 are for graduates in the private sector. This programme will provide unemployed individuals with valuable work experience for up to 9 months which will considerably improve their chances of securing employment in the future. All public sector bodies will be encouraged to actively participate in the programme.¹⁴

¹² Dáil Question, 16th December, 2010.

¹³ Dáil Question, 16th December, 2010.

¹⁴ Dáil Question, 16 December, 2010.

Recommendation

- The commitment to Work Placement Programmes should be rolled out swiftly, but subject to ongoing review before the end of 2011.

The Youth Framework

There has been a delay in the formulation and publication of the Youth Framework (or training and employment framework for young people and early school leavers) which was expected in September 2010.

According to Minister Haughey in a response to a Dáil Question on this matter, the broad elements of the framework have been drafted and will form the basis of discussion and consultation with other relevant youth agencies. Wider consultation, has been deferred pending the integration of elements of FÁS with the Department of Social Protection and the establishment of a freshly mandated Skills Agency, which will impact on any proposed Youth Framework as FÁS's remit is subject to change going forward.¹⁵

Whilst we acknowledge that FÁS is currently undergoing substantial changes in the way it delivers training, we believe the need to refocus the training functions of FÁS is imperative. It is vital in the current re-organisation that the service offers young people the best option for them.

Recommendations

- FÁS training function should focus primarily on the unemployed.
- Young people should be offered the best education/training option for them.
- NYCI calls on Government to ensure that the Youth Framework is completed and published as soon as possible to ensure the provision of a range of supports for those between the ages of 16 – 25 in a cohesive and integrated manner.



¹⁵ Dáil Question, 15 December 2010.

6 | IMPROVING THE SYSTEM BY REMOVING THE GAPS...

This section addresses the issue of improving the system to respond better to the needs of young unemployed people. It is informed by some of the views expressed at various consultations with young people and other key stakeholders, the recommendations arising from NYCI's recent youth unemployment conference, and *'The Forgotten Generation'* research.

For the purposes of clarity the section is broken down into three areas and examines gaps and inconsistencies between policy and practice in the following domains:

1. Education, Training & Activation
2. Employment Services & Welfare
3. Internships & Entrepreneurship

Education, Training & Activation

The current provision of real and meaningful education and training options for young unemployed people is inadequate.

As our research confirms lack of work experience along with a shortage of education and training places especially for young people with poor qualifications are real concerns for the young unemployed people (201:13, 14).

Many young people who attended NYCI's conference argued strongly that the State had let them down by failing to provide adequate choices and a system to support them to access education.

Recommendations

- Structured programmes for 16-18 year olds based on a holistic model.
- A continuum of service provision should be ensured as with primary school to secondary school from secondary to further training/education supported entirely by the system from the career guidance teacher to FÁS etc.,
- Focus training on areas of potential employment/emerging new sectors.
- Ensure system provides clear steps of progression/flexibility/training that relates to each other.
- Develop alternative education models to meet the needs of non-mainstream learners.
- Explore how Community Training Centres need to change the way they work with young people to include more active learning.

Lifelong Learning

The decision to provide 2,500 free part-time college places on undergraduate certificate and degree-level programmes spanning the sciences, business, engineering and technology sectors was a positive one.

It is regrettable that only 1,752 of the 2,500 places (1,122 undergraduate/630 post graduate) were filled.¹⁶ It would appear that there was a delay in implementing this policy and subsequently the timeframe for application was very short resulting in a lower response rate. It is disappointing that the Government has not extended this scheme for another academic year.

¹⁶ Dáil questions, 217-220 June 2010.

The investment of €3.7m for the 1,752 represents good value for money and should have been continued and expanded.

Given the growing demand to upskill and reskill in an ever changing labour market NYCI calls on Government to increase the number of free places for those studying part-time over the next 2 years.

Recommendations

- Increase the number of free part-time college places to 10,000 places in 2011/2012 which based on existing information would cost €21m.

Post Leaving Certificate Courses

Budget 2011 made cuts to supports for those on FÁS and VTOS courses and the introduction of a €200 charge for those taking up Post Leaving Certificate courses. It is our view that such cuts will only drive young people especially those on low incomes out of the education and training system and into either poverty or emigration.

Training opportunities for the low skilled

In 2006, 8,000 young men went into apprenticeships, it is estimated that less than 1,000 will do so in 2010. A further 11,000 young people went directly from school into work. Therefore large numbers of young people are leaving school this year who, but for the recession, would have gone to full-time work or to apprenticeships, but now have very limited options. The challenge is to provide a significant number of training places in a short period of time.

To address this issue the IVEA (representative body for VECs) has proposed a specialised training scheme to address the needs of this group. The IVEA propose a training programme that would run for 60 weeks (2 school years) of 18 hours a week comprising 8 hours of class contact time, 6 hours of appropriate work experience and 4 hours of community work. Separate traineeship programmes could be established to meet the work requirements of different work areas, clerical/administrative, hospitality, environmental management, healthcare, childcare, construction, engineering, information technology, agriculture/ horticulture and related areas, retail, transport and distribution, sport and recreation, technical maintenance, laboratory work, etc. All successful graduates of the programme would receive a FETAC major award at Level 5 or 6, as may be appropriate, on the NFQ and each module in each programme should be certified in the form of a FETAC minor award. In this context, the work experience would also need to be certified.

Recommendation

- Develop a specialised training course to meet the needs of young people with low skills as proposed by the IVEA.

Employment Services & Welfare

As previously referred to in Section 5 of the report, the existing employment services and Social Welfare system leaves a lot to be desired. Overall the feedback we have received from young service users is highly critical of the current system which has been described as inefficient, irrelevant and ineffective to the people it purports to work for.

Need for unrestrictive and high quality job information

One of the key problems with the Irish Public Employment Service and the Social Welfare system is that lack of coherence and clarity of information provided. This point has been made at every consultation and was a key finding from the research with young unemployed people. When asked what core support requirements were essential for a young jobseeker in their engagement with the Social Welfare Local and Branch Offices and FÁS Local Employment Services, **the need for provision of unrestrictive and high quality job information was identified.**

Often information about courses and social welfare entitlements is provided on websites. Information should be communicated in a simple and clear manner using a variety of methods to engage with young unemployed people particularly the hard to reach.

Recommendations

- In consultation with service users, overhaul the Social Welfare Local and Branch Offices and FÁS Local Employment Services and introduce an improved system of information which provides clients with unrestricted, high quality information.
- Ensure that there is specific and tailored training for personnel working in front-line services so that they can communicate effectively with young people.
- Improve delivery and access to information on entitlements and opportunities taking into account the views of young people. Information should be communicated in a simple and clear manner using a variety of methods to engage with young unemployed people particularly the hard to reach.
- Develop a website targeting young jobseekers to include career guidance, mapping out routes and opportunities. Help young people to not only access but to use the information.
- Improve the supports offered to jobseekers around forms, understanding entitlements etc.,

Substandard Quality of Course Provision

The quality of courses provided to jobseekers was questioned by many young people and the poor follow-up and lack of support provided was raised as a concern. It was pointed out that Social Welfare services offer little support for simple things such as filling out forms, which are often complicated and difficult to understand.

Early Intervention

Young people may not always be confident in approaching services. There is a low expectation of life outcome amongst some young people. In such cases these young people require early intervention to build their self-esteem and confidence and raise their expectations.

The current system was described as “a system which is largely inflexible and creates

dependency, passivity and lacks positive role-models” for young people. In light of this criticism, a complete re-think needs to happen.

The role of youth organisations

Youth organisations are well placed to develop young people to a position where they have the confidence to engage properly with the system. It is important that the youth sector is properly resourced to meet this need and where possible for the Social Welfare system and Public Employment Service to work collaboratively with the youth work sector to support young unemployed people. Youth organisations should have a role to play in providing a support service for unemployed young people as they understand how to work with them and how to empower them with essential social and interpersonal skills to be employable. Such a partnership approach requires a strategy to underpin key objectives and set measurable outcomes.

NYCI believes that to make this happen a National Youth Employment Strategy should be developed in cooperation with the key partners namely the youth sector, the Public Employment Service, the Department of Education & Skills, the Department of Social Protection, FÁS, IVEA and the employers. This strategy should prioritise an integrated community approach as the basis for its work.

Recommendations

- Develop a National Youth Employment Strategy with key stakeholders.
- Support youth organisations to provide services and assistance to young jobseekers.

Need for better career guidance & planning

Young people particularly need career guidance and support. Such career guidance should start at second level and continue once a young person leaves school.

Consultation with young people using the Public Employment Service confirms that the availability and quality of job counselling support offered to young people at present is to a large extent poor. In fact in a number of cases, young people have been advised to undertake courses that do not meet their learning needs. All young unemployed people should have access to skilled professionals who can support them to make informed choices which are beneficial to their long term job prospects.

Young people need to be informed of the areas where potential employment lies and need to be directed towards this. Career guidance in schools, delegates felt, is often an afterthought. It is often not effective and is not provided by properly trained teachers.

There is a need for early intervention to equip young people to make the right choices regarding their future options. Concerns were raised that young people are not equipped to understand the consequences of their choices. For example young people are often guided to do Leaving Cert Applied (LCA) without realising that this does not give the points or access to a college course. The importance of literacy from primary level up was also seen to be vital for equipping young people for their future.

Having a Plan of Action

Jobseekers referred under the National Employment Action Plan (NEAP) are supposed to agree a ‘plan of action’ co-signed with the relevant Public Employment Service. The OECD in their review of active labour market policy found little evidence that such plans were prepared or agreed.¹⁷ All young jobseekers should be given a joint agreed action plan, which should include a ‘reasons why’ statement by FÁS/Department of Social Protection explaining why they were offered a particular opportunity.

In a situation where young people opt to refuse an education or training course, they should have the right to appeal a decision.

Recommendations

- All young unemployed people should have access to skilled professionals who can support them to make informed choices which are beneficial to their long term job prospects.
- An action plan for all young jobseekers under 25 should be developed jointly by the young person and the employment services.
- A ‘reasons why’ statement should be provided by FÁS/DSP when they refer any young person to an education, training or work experience opportunity outlining how this opportunity meets their needs and will enhance their long term career prospects.
- In a situation where a young person refuses an education and training option offered to them, they should have the right to appeal a decision.

Refocus Training Courses

Forfás has recently completed a review of Labour Market Programmes,¹⁸ providing some participant information broken down by age group, and assessing the performance of different programmes. The review indicates that many of the programmes need to do more to retain participants. Many of the programmes are not sufficiently targeting those on social welfare. The review also found that many of the programmes have lost focus on their target group, especially the Local Training Initiative (LTI) programme which has lost focus on young people and needs to do more to ensure progression and to provide certification.

Recommendations

- Courses such as the Local Training Initiative (LTI) should be refocused on young jobseekers between 16 and 25 years of age.
- Training opportunities should be targeted exclusively at those who are unemployed, particularly young people and the long term unemployed.
- All state funded courses should be required to provide certification within a three year period.
- Courses should be required to demonstrate their effectiveness in supporting the progression of young people into further education, training or employment.

¹⁷ Grubb et al, *Activation Policies in Ireland*, OECD Social, Employment and Migration Working Papers No. 75 January 2009, Section 203, Page 81.

¹⁸ Forfás *Review of Labour Market Programmes*, 2010.

Internships & Entrepreneurship

Internships

The concept of internship is not as developed here as in other jurisdictions. It is estimated that there are up to 800,000 interns in Germany and 600,000 in France. The key to internships is to ensure that the opportunity is a quality one of benefit to both the intern and employer. It is vital that interns are not exploited or used to replace full time positions. NYCI has developed a position paper on internships - see www.youth.ie for further information.

In Ireland there is a lack of opportunities for work experience programmes and long waiting times to get a place on a programme. At the NYCI Youth Unemployment Conference delegates expressed the view that internships offered a great way to get young people job ready. Work placements provide participants with the opportunity to enhance their learning and skills development. They may also lead to employment opportunities.

The need for proper guidelines to be put in place for workplace programmes and adequate induction for employers and interns participating in a scheme is essential.

Many young people feel that currently there is no adequate follow-up after an internship ends. Young people need proper and constructive feedback throughout their internship and at the end of work placements this is not always available. There was also concern that there needs to be widespread understanding of the system to prevent people being seen as 'working' and 'claiming' illegally.

Recommendations

- Government should adopt a Charter on Internships which supports young people entering into internship with employers without fear of losing social welfare entitlements.
- Develop a national scheme for work placement with formal links between training and employers and role-models (mentoring as well as training).
- Develop assessment process on achievement of placement/set learning objectives/targets and accreditation for volunteering.
- Ensure sufficient follow-up after placements are over.
- Co-ordinate work experience linked in with local employers – identify struggling businesses that could benefit from interns.

Promoting Entrepreneurship

Entrepreneurship is not widely encouraged amongst young people in Ireland. There is a lack of information available to potential young entrepreneurs wishing to start up a new business venture.

While the current economic environment is challenging, many young people have excellent ideas and just need the support and advice to start their own businesses. Too often the ideas and proposals of young people are seen as too risky, however, we argue that Government should facilitate young people to explore new ideas and business opportunities.

Gaming is an example of one new industry which is being driven primarily by young people. To support young entrepreneurs to advance their business venture, Government should

establish a fund to support young business. While expenditure should be accounted for, this fund should have the minimum of bureaucracy.

Furthermore measures such as the reduction in eligibility from 12 to 6 months for the Back to Enterprise Allowance for young people under 25 should be initiated to further support young business.

In order to stimulate this culture of entrepreneurship we need ideas, creativity and positivity from the top down. Young people need leaders or mentors to encourage growth in entrepreneurship.

The IDA and Enterprise Ireland are currently too high level for many small, community based initiatives. Therefore community based micro-finance schemes providing small financial capital at low interest rates need to be created.

Another important dimension in promoting entrepreneurship is the need for young people to have access to education and training on the essential aspects of how to start and manage a business.

Each stage of the education system should have elements of entrepreneurship introduced. Specific work placements for young people interested in starting their own business should also be explored and linked into relevant businesses they may be interested in pursuing.

NYCI believes more can be done to promote entrepreneurship amongst young people in Irish society. For example city and county councils could rent young people disused buildings at low rental prices to help them start up a business and a directory of successful retired business people could be approached to act as mentors for suitable projects run by those under 25.

Recommendations

- Establish a fund for young entrepreneurs under 25 to establish new businesses with the minimum of bureaucracy.
- Review enterprise supports for young people.
- Review the eligibility criteria from 12 to 6 months for the Back to Enterprise Allowance for young people under 25 to further support young business.
- Develop notion of community hub to bring people together who are interested in developing new business ideas.
- Introduce a National Buddy System for people starting their own business that connects into a system of people with specific and relevant skills who are unemployed i.e. accountants, lawyers etc.
- Review of second level curriculum – introduce entrepreneurship as a subject.
- Develop a community micro-finance scheme.
- Develop a website targeting young entrepreneurs.
- Explore creative ways to facilitate young people starting business such as low rent in unused buildings etc.
- Review welfare entitlements for self-employed.

7 | EMIGRATION

The recession has impacted most severely on the employment outcomes of younger people relative to other groups in society (ESRI Quarterly Economic Commentary, Summer, 2010).

According to our research *'The Forgotten Generation'* a striking 70% of 90 young people interviewed agreed that it is more likely – rather than less likely – that they will emigrate within the next 12 months in response to their status of being unemployed in Ireland (2010:26).

We know that some young people in good and bad economic times will always consider spending some time travelling and working abroad prior to settling down in Ireland. Our first priority should be to assist young people to stay and assist them to find work. In the current environment, however, we also know that some young people are being forced to emigrate due to the bleak situation in Ireland. We believe that these young people should be supported to make informed choices, so that they are clear about the opportunities and challenges presented by emigration to different parts of the world. In instances where there are no jobs available, the State should do all it can to support young people to secure employment abroad.

The following are some of the views expressed by those young people contemplating the prospect of emigration. It is apparent that while some are open to the idea of travel others were less enthusiastic about leaving and were disappointed that there were no job prospects for them at home¹⁹.

"After four years in university, with a first class honors degree under my belt it is disappointing that the only realistic option available to me is emigration." **Young job seeking third level graduate (Urban)**

".....Talk to any young person at the moment and emigration is on their mind...There just aren't enough opportunities here (in Ireland)" **Young job seeking early school leaver (Urban)**

"...Definitely...I am going to go (emigrate)...I don't want to be sitting on the dole here (in Ireland) for another three or four years..." **Young jobseeker with Leaving Certificate and/or apprenticeship/vocational training qualifications (Rural)**

"I am sure it (large scale emigration) is built into the economic projections for the next five years because there doesn't seem to be any meaningful policies being developed to help young unemployed people." **Young job seeking third level graduate (Rural)**

"You wonder do they (Government/policy makers) really want us (young unemployed) to stay (in Ireland)... We (social welfare recipients) are a drain...we are costing them (the exchequer) money...so they would probably be glad to see the back of us for a few years... That's the way you feel anyway." **Young job seeking early school leaver (Rural)**

"You (the young unemployed) certainly don't feel encouraged to stay at the moment... Nobody is telling us there is light at the end of the tunnel..." **Young job seeking early school leaver (Semi-Urban)**

¹⁹ NYCI (2011) *Youth Unemployment in Ireland – The Forgotten Generation. The Experience of Young Jobseekers & Their Interaction & Engagement with Key State Support Services*. Dublin: NYCI.

"...It (emigration) is a handy way for them ((Government /policy makers) to export the problem and to cut the costs (burden of social welfare payments on the national exchequer)..." **Young job seeking early school leaver (Semi-Urban)**

"It (emigration) probably isn't written down or talked of (as a policy) but it certainly wouldn't do the country any harm at the moment (if a large proportion of young jobseekers were to emigrate)." **Young job seeking early school leaver (Rural)**

From a policy perspective NYCI believes consideration must be given to developing a mechanism to support these young people while they are abroad. There is already a EURES service run by FÁS which provides information and advice on moving to and working in another EU member state. It does not, however, provide information and advice on jurisdictions outside the EU, such as Australia, Canada, the US, and other popular destinations for young Irish people.

EURES service should be further developed to provide information, guidance and support on the other more common destinations, which could be called EURES+. This service should provide young people with all the facts and realities of emigrating to another country. It should assist young people to make an informed choice.

Recommendations

- Develop the FÁS EURES+ service to provide young people who are considering emigration with information on jurisdictions in the EU and outside such as Australia, Canada and the US.
- Promote the EURES+ information service to young people through the use of public campaigns and the media.



8 | AN OVERVIEW OF GOVERNMENT POLICY

The Government has pursued a number of actions to address unemployment over the last two years. NYCI acknowledges there are no quick or simple solutions to the current high levels of unemployment. Any measures employed must be evidence based and should not marginalise young people further into poverty or damage their long term employment prospects.

Gregg contends that a well functioning welfare system should have three key characteristics. It should be progressive, efficient and coherent²⁰. Ireland currently exhibits none of these traits and requires substantial reform.

The efficiency *Gregg* refers to should manifest itself in seeking to keep the number of welfare claimants low and reduce the cost to the exchequer. To achieve this level efficiency work needs to be financially attractive and support services and the engagement with and by the claimant must be effective. Coherence in the system should be 'mutually supporting' providing a system where there is no duplication and minimum bureaucracy²¹.

Government could do a lot more to address youth unemployment. To date their response has been ineffective. Their actions have also lacked the resources, scale and imagination required to deal with the problem of unemployment. Too much of the response has been motivated by a desire to cut public spending as opposed to supporting unemployed people to re-enter the labour market. Furthermore initiatives have been introduced only to be discontinued at a later stage.

Summary of Government Policy to Date:

- The integration of the public employment functions of FÁS and the benefit function of the Department of Social Protection.
- Cutting benefits for young people under the age of 25 years of age.
- The creation of work experience schemes for graduates and non graduates (the Work Placement Programme and a pilot Short Time Working Training Programme).
- Easing access to the Back to Work Enterprise Allowance scheme and Back to Education Allowance, while closing the Back to Work Allowance scheme.
- Increasing the number of training places, from 66,000 in 2008 to 157,000 in 2010.
- FÁS training budget cut by €43 million in 2011.
- Range of measures to address needs of unemployed apprentices.
- Back to college initiatives for jobseekers, 1,500 places for undergraduate courses and 1,000 for post-graduate course but has since been discontinued.
- Minor expansion of other education/training opportunities.
- Development of the Labour Market Activation Programme.
- PRSI Exemption Scheme.
- Announcement of arrangements for a new Government work placement initiative in the community sector called TÚS which will provide 5,000 short term working opportunities for people unemployed for over a year. The placements will be with community sector organisations to support the delivery of their services.

²⁰ Gregg, P. (2008) *Realising Potential: A Vision for Personalised Conditionality & Support. An Independent Report to the Department of Work & Pensions.* UK: TSO Stationery Office.

²¹ Gregg, P. (2008) *Realising Potential: A Vision for Personalised Conditionality & Support. An Independent Report to the Department of Work & Pensions.* UK: TSO Stationery Office.

Integration of Service

It was announced in April 2010 that the public employment functions of FÁS and the benefit function of the Department of Social Protection would be integrated.

This shift in public policy signified a move to remove the bureaucracy from the system and it is hoped will serve to make the system much more cohesive and integrated. Whether or not the reconfiguration of services will reap the intended outcomes remains to be seen.

Undoubtedly the act of joined up Government is one which NYCI endorses, but only time will tell if this policy measure will have the desired results. It is important that policy decisions should be implemented at service level to ensure jobseekers have the benefit of an integrated and streamlined service as soon as possible.

Cutting Benefits to Young People

The most up to date data available reveals that a staggering 63% of young people aged 18 and 19 are on the reduced rate. No data is available on the 20-24 year old age group yet as reductions in their payments were more recent.²²

The reductions in social welfare payments to young unemployed people announced in April 2009 was promoted as solely being about providing incentives to young people to go into education, training or work. At that time any young person aged 18 and 19 not in education or training would receive a reduced rate of €100 a week. This policy was extended in December 2009 to include all new claimants aged 18-24, with young people aged 18-21 receiving €100 a week and those aged 22-24 receiving €150 a week.

Such a policy measure, in the absence of sufficient and appropriate education and training options is grossly unfair and discriminates against a significant proportion of the population on the basis of their age. It presupposes that this group of people is intent on a life of benefits and welfare dependency and fails to consider the personal circumstances of each individual claimant. Many young people are desperate to get a job or to access an education or training course relevant to their career path. Every case should be judged differently and a 'one size fits all' policy should not be employed.

Adopting blanket cuts in benefits for young people, is in our view a flawed and regressive policy approach. To date it would appear that many young people affected by cuts in Jobseeker's Allowance are struggling to cope financially. The loss of benefits coupled with an inability to secure a relevant education or training options places many young people in an unenviable and precarious position.

The Social Welfare Act was passed in July 2010 and as a result further cuts to the benefits of young people who refuse to avail of training will be imposed. As a result young people who are already on the lower rate and who refuse to accept training/education offers could end up on €75 a week if they are aged 18-21 or €115 if they are aged 22-24.

It is vital to support young people to remain close to the labour market while they are unemployed. In order to achieve this aim, policies should support young unemployed people to up-skill by giving them sufficient resources to live on. Cutting social welfare payments is

²² Dáil Question, 2010.

likely to drive many young people into poverty and forced emigration. Furthermore there is an increased likelihood of long-term unemployment for this generation of young people.

A blanket cut of benefits for young people regardless of their personal circumstances or financial situation and pursuing a work fare approach to welfare will only serve to further marginalise young people and will have devastating long term social repercussions for society at large.

Currently a young person can wait for 24 weeks to appeal a decision to cut their social welfare payment.²³ This is an unacceptable time period and needs to be addressed. In order to speed up the appeals process Government need to establish an efficient appeals process immediately.

Recommendations

- Establish an efficient appeals process to review cases in circumstances where social welfare is cut. All appeals should be processed within a 4 week period.
- Restore the Jobseeker's Allowance to the previous rate.

Barriers to Training

A poverty trap is emerging in that when a young person signs off Jobseeker's Allowance to enrol in a training course they lose their JA and receive a new payment. When they finish the course rather than being considered as being automatically eligible for Jobseeker's Allowance, they are considered as new claimants and have to wait to be processed once again and the delay in processing can sometimes result in the individual waiting a number of months to receive their payments. This creates a barrier to participation in education and training courses as the young person is reluctant to go on courses because fear they may lose their benefits in the interim. To address this problem it is important that there is better integration between services and those administering payments.

Recommendation

- Improve integration of services and payments to ensure young people are not discouraged from taking up training or education.

Changes to Schemes

In April 2009 the Government announced the easing of criteria for access to the Back to Work Enterprise Allowance (BTWEA) and Back to Education Allowance (BTEA). At that time they also closed the Back to Work Allowance (BTWA) scheme for new claimants. We welcome the changes to the BTWEA and BTEA which will support more unemployed people into starting their own businesses and pursuing further education.

The impact of these positive improvements has been overshadowed by measures to withdraw the student support grants from people on the BTEA²⁴ and the withdrawal of the

²³ Dáil Question, 38/53 June 29th 2010.

²⁴ Unemployed people must be at least 21 to be eligible for the BTEA, and must have been in receipt of one of the following payments for at least 3 months to return to second level education, or 12 months to go to third level: Jobseeker's Allowance or Benefit, Farm Assist, One-Parent Family Payment, Deserted Wife's Allowance or Benefit, Widow's or Widower's Contributory or Non-Contributory Pension, Carer's Allowance, Blind Pension, Disability Allowance, Invalidity Pension, or Incapacity Supplement.

Millennium Partnership Fund. This fund provided financial support to help students with the costs of participating in education e.g. books, materials, equipment, travel, childcare, study supports. Priority groups identified for funding included people on low incomes, people with disabilities, Travellers, mature students, and lone parents. It would appear that the Government is giving some additional support with one hand and then withdrawing it with another.

The number taking up the Back to Education scheme has soared from 7,285 in 2005 to 20,808 in 2010.²⁵ Data received from the Department of Social Protection indicates that there are 5,481 young people under 25 on the scheme. There were 7,114 people on the Back to Enterprise Allowance.²⁶

Increasing number of training places

The Government states that it will provide 157,000 training and work experience places in 2010 compared to 66,000 provided in 2008. While this may appear impressive, the large increase in places has primarily been achieved in some instances by reducing the length of existing courses from 20 weeks to 10 weeks and therefore doubling the number of places. Data on the expenditure on these courses confirms this is the case. The number of places has increased by 137%, but actual funding has only increased by 5% from €678.6m in 2008 to €732.2m in 2010.²⁷

We are concerned that the quality, credibility and effectiveness of these courses will be greatly undermined by such actions. Furthermore it should be noted that these training places are not reserved solely for young people. See **Table A** for a breakdown of courses, participation numbers and the numbers undertaking the courses under the age of 25.

Table A – Training & Work Experience Places 2009

Programme	Duration of Programmes	Actual 2009 Beneficiaries	Participants Under the Age of 25
Community Training Centres	12 – 24 mths	4,875	4,288
Local Training Initiatives	6 – 12 mths	5,949	2,450
Specialist Training Providers	12 – 24 mths		1,144
Bridging/Foundation	13 – 18mths	6,525	2,185
Return to Work	13 – 18mths	718	79
Specific Skills TRG/JTS	10 – 26mths	23,874	5,891
Traineeship	26 – 48mths	5,256	2,226
Sponsored Training			214
Evening Courses		27,211	3,200
Work Placement Programme	2 – 9mths	187	63
Community Programme	1 – 7mths	33,601	708
Total		154,474	22,448

²⁵ Dáil Question, 322 May 25th 2010.

²⁶ Dáil Question, 440 June 29th 2010.

²⁷ Dáil Questions, 423-425 July 7th 2010.

Table B – Training & Work Experience Places 2009²⁸

Programme	Participants Under the Age of 25
Community Training Centres	4,288
Local Training Initiatives	2,450
Specialist Training Providers	1,144
Bridging/Foundation	2,185
Return to Work	79
Specific Skills TRG/JTS	5,891
Traineeship	2,226
Sponsored Training	214
Evening Courses	3,200
Work Placement Programme	63
Community Programme	708
Total	22,448

Table C – Duration of Programmes

Programme	Duration
Bridging Foundation Training	13 – 18 wks
Return to Work Programme	13 – 18 wks
Specific Skills Training	10 – 26 wks
Traineeship	26 – 48 wks
Community Training Centres	12 – 24mths
Local Training Initiatives	6 – 12mths
Specialist Training Providers	12 – 24mths
Evening Courses	30 – 60 hours
Online Training	10 – 20wks
Short Time Working Training Programme	6 – 9wks
Technical Employment Support Grant	Dependent on the nature of the support granted
Redundant Apprenticeship Placement Scheme	For the relevant length of the on-the-job phase of the apprenticeship
Work Placement Programme	2 – 9mths
Community Employment	1 – 7yrs
Job Initiative	Until 66 th birthday
Wage Subsidy	As long as the individual is employed by the employer
Job Clubs	3 – 4wks
Supported Employment	18mths
Skillnets Training for the Unemployed and short-term workers	Typical programme is approx 1 wk
Labour Market Activation Fund	Programmes range from 3wks – 9mths.

²⁸ Age breakdown statistics are not available for the following programmes: on-line training provision, the technical employment support grant, the wage subsidy scheme, job initiative, supported employment, and job clubs.

Support for unemployed apprentices

A large number of apprentices were unable to finish their training due to the economic downturn. A total of 7,453 apprentices were registered with FÁS as redundant in May 2010. FÁS has put in place an interim measure whereby redundant apprentices may progress to the next off-the-job training phase of their apprenticeship. In 2009 FÁS also introduced a temporary Employer Based Redundant Apprentice Rotation Scheme for apprentices made redundant in the construction industry. In March 2009 a joint ESB Networks-FÁS programme commenced where on-the-job training with ESB Networks is provided to eligible redundant apprentices. NYCI welcomes the work done to date, however, more needs to be done to assist existing apprentices complete their qualifications and also to open up more opportunities for young people to commence apprenticeships.

Other Education/Training Initiatives

Youthreach

Youthreach offers a two year programme of integrated education, training and work experience for 15 to 20 year olds who have left school without formal education qualifications and who are unemployed.

There has been no expansion of Youthreach since 2007 when 400 extra places were provided. At present there are about 6,000 places.

Vocational Training Opportunities Scheme (VTOS)

Vocational Training Opportunities Scheme gives second chance learners access to education and training. It is an education and training course specifically for unemployed adults aged 21 and over who are in receipt of social welfare payments. The number of places on VTOS has been limited to 5,000. At present there are 861 young people under 25 on the programme.

Labour Market Activation Fund

The Labour Market Activation Fund was announced earlier this year. The fund has a budget of €20 million and is intended to support the provision of training and education programmes for the unemployed, prioritising the low skilled and those formerly employed in declining sectors such as construction, retail and manufacturing. The scheme is intended to focus particularly on the under 35's and long-term unemployed.

Following a competition in which 370 tenders were received, the Government announced the award of contracts to a range of organisations across the private, not-for-profit and public sectors to support 12,000 additional training and education places in programmes for priority groups of the unemployed. These programmes are due to come on stream later this year.

PRSI Exemption Scheme

In Budget 2010 the Government announced the introduction of a new jobs stimulus measure – the Employer Jobs (PRSI) Incentive Scheme. The scheme was formally launched in June 2010.

Under the scheme, if an employer takes on an additional member of staff, who had been unemployed for 6 months or more, s/he will be exempt from paying employers' PRSI for 12

months. The job must be new and additional, be for at least 30 hours a week and last for at least six months. This will give employers an 8%-10% saving on employment costs for each new job created.

Up to 21st January 2011, applications were received from 1,029 employers in respect of 1,885 employees. 775 employers have been awarded exemptions in respect of 1,247 employees. The Government has agreed the extension of the Employer Job PRSI incentive scheme to the end of 2011 in the context of the Budget and National Recovery Plan.²⁹

NYCI welcomes the extension of the Employer Job PRSI scheme beyond the end of 2011 and calls on Government to provide additional incentives for employers who employ someone under the age of 25.

Recommendation

- Government to provide additional incentives for employers who employ someone under the age of 25.

Introduction of a 'social employment' scheme

On 21st December 2010 the Minister announced arrangements for 5,000 new work placement opportunities in the community sector. The initiative TÚS, will provide 5,000 short term working opportunities for people unemployed for over a year. The placements will be with the community sector organisations to support the delivery of their services. The Minister stated that €30 million is being committed in 2011 to allow for the introduction of TÚS and that this would grow to a commitment of €100 million in 2012. TÚS joins a range of new and expanded initiatives designed to provide assistance to the unemployed. For further details on TÚS please see www.socialprotection.ie.

With sufficient safeguards, this scheme has the potential to benefit both young jobseekers and the community and voluntary sector. To date much of the detail on the scheme and how it will be administered needs to be rolled out. Provided such safeguards are inherent in the implementation of scheme to protect unemployed people from being forced into unsuitable and irrelevant work, we believe it could greatly benefit both the individual and the community at large.

9 | HOW SHOULD WE ADDRESS THE PROBLEM OF YOUTH UNEMPLOYMENT?

Youth Guarantee

The UK and the Netherlands have a 'Youth Guarantee' in place. This scheme ensures that if a young person fails to find appropriate education, training or employment, the local authorities and or not-for-profit organisations act as employers of last resort. In return for engaging in activation, the authorities in these countries invest to ensure young people have the opportunities. The withdrawal of benefits is a very last resort.

Since September 2009, all Dutch municipalities are obliged to give young people aged between 18-27 who apply for social benefits a personal offer consisting of work, training or a combination of both. The idea of 'Youth Guarantee' should be considered further the Irish context.

Recommendation

- Commission a feasibility study on how a 'Youth Guarantee' scheme could operate in Ireland.

Youth Jobs Fund

In May 2009 the then UK Government established a 'Futures Job Fund' worth £1bn to support the creation of jobs for long term unemployed young people and others who faced significant disadvantage in the labour market. The fund targeted the creation of 150,000 jobs. 100,000 were aimed at 18-24 year olds who had been out of work for nearly a year.

Applicants were required to demonstrate that the bids would create additional jobs in unemployment hotspots. Such employment should last at least six months and the work should benefit local communities. It was also envisaged that there would be support for employees to move into long-term, sustained employment.

The 'Future Jobs Fund' provided a maximum contribution of £6,500 for each job. The vast majority of bids came from voluntary organisations, community organisations and social enterprises. In the first 9 months of operation, up to 23,000 jobs were created.

Unfortunately the Conservative/Liberal Democratic Government has closed the scheme as part of the £6bn cuts announced. Regardless of its recent abolition, we believe there is merit in exploring how such an initiative could be developed in the Irish context.

We recommend Government establish a similar fund to specifically address the problems of youth unemployment and long-term unemployment and in doing so promote opportunities in mainly disadvantaged areas.

Recommendation

- Government to establish a similar fund to specifically address the problems of youth unemployment and long-term unemployment.

²⁹ Dáil Question, 25th January 2011.

Plan and Partnership Approach:

One of the lessons from the 1980's and early 1990's was that social partnership at local and national level has an important role to play in addressing unemployment.

There is considerable potential for Government to engage with actors to problem solve and find solutions to the problem of unemployment. While we acknowledge the role of Government to govern, we believe that decisions and actions can be enhanced when they engage with social partners and others.

In light of the fact that a number of Government Departments and State agencies such as FÁS, VECs, trade unions, business sector, enterprise boards, the youth, community and voluntary sector all have a contribution to make to addressing youth unemployment, we propose the establishment of a **Youth Employment Advisory Council** which would be tasked with the responsibility to draft and implement a Youth Employment Action Plan to address youth unemployment in Ireland.

Recommendation

- Establish a **Youth Employment Advisory Council** to advise and assist in the formulation and implementation of a **Youth Employment Action Plan** to address youth unemployment in Ireland.

Youth Unemployment in Europe

Across Europe, Governments have been prioritising youth unemployment as an issue of paramount significance in the respective member state political agendas. Many EU Member States have developed policy responses to address the problem and are investing significant resources to help young unemployed people in their countries.

The French Government developed an 'Acting for Youth' strategy in April 2009. In November 2009, the Danish Government in partnership with the three main opposition parties developed a series of policies designed to ensure a quick, intensive and focused approach towards young people aged 15-17, 18-19 and 18-29.³⁰ As Ireland has the second highest unemployment rate in Western Europe, the development of an action plan which brings key stakeholders together to work on a solution to reduce youth unemployment is essential.

Greater Engagement with Employers

All the evidence confirms that when training, education and work experience are designed and developed in close collaboration with employers the rates of progression for participants are significantly enhanced. Too often employers are asked to provide work experience when the course/training has already been commenced. In countries like Germany, employers and trade unions work closely with public employment authorities in developing courses to meet local needs.

Irish employers tend to use the Leaving Certificate as a benchmark for assessing potential

³⁰ Scarpetta et al, *Rising youth unemployment during the crisis: How to prevent negative long-term consequences of a generation?*

OECD Social, Employment and Migration Working Papers No. 106 April 2010.

employees and as a result young people who leave school early without this qualification are at a distinct disadvantage. In light of this, it is important to engage with employers to determine what skills and competences they are seeking. The Local Training Initiative run by FÁS is a good example of a course designed and run following consultation with local employers. Such a consultative process ensures that participants on completion have a realistic chance of gaining employment.

It is clear that the Public Employment Service must increase their engagement with employers to develop and design courses of relevance to the labour market and to gain information on vacancies which may be emerging.

Recommendation

- FÁS/DSP to develop a strategy to improve collaboration between and the State to create jobs for young unemployed people.

Need for Rigorous Evaluation & Accountability

Government policies and practice should always be evidence based and cost effective, particularly at times of economic scarcity. There are countless examples of cases where public money has been used without proper evaluation of its effectiveness.

It is imperative that all agencies and organisations in receipt of public monies for employment and training services should be required to publish data on their performance and how their budgets are spent. Furthermore all programmes should be subject to independent evaluation and review to ensure they are still meeting their intended objectives.

Recommendation

- Government policies and practice must be evidence based and subject to evaluation.



10 | CONCLUSION & SUMMARY OF RECOMMENDATIONS

The position paper has examined the issue of youth unemployment in great detail. It explores the policy issue in ten sections. Each section examines and questions fundamental aspects of unemployment as it affects young people in the 18 – 25 age cohort.

Section 2 examines the question *what is unemployment?* This section focuses on the concept of unemployment, how it is defined and how it is measured.

Section 3 examines how it feels to be an unemployed young person living in Ireland. This section draws from NYCI's qualitative research with young people currently experiencing unemployment. Through the use of quotations one gets an impression of how unemployment can negatively impact on a young person's life. It provides a flavour of just some of the stories of young people and their experiences of unemployment which have helped to inform NYCI's policy recommendations. This section also examines the social and economic cost of youth unemployment on society and on the individual.

Section 4 provides an analysis of how the current public employment, education and training system is responding to the needs of young unemployment people. It argues that the existing service is not adequate to meet the demands that recession has placed on it.

Section 5 examines the role of FÁS. It outlines the work of FÁS which was established in 1988 as the agency responsible for providing training for the unemployed. It discusses the role and function of an agency that has received much criticism for its inefficiencies and ineffectiveness.

Section 6 makes a series of recommendations to improve the Public Employment Service to ensure it provides a person-centred, integrated and holistic service - tailored to meeting the needs of a broad range of young unemployed people with different skills and qualifications.

Section 6 examines the inconsistencies between policy and practice prevalent in the current Public Employment Service and focuses on ways of improving the system to provide a seamless, appropriate and effective service for young unemployed people.

For the purposes of clarity the section is broken down into three areas and examines gaps and inconsistencies between policy and practice in the following domains: Education, Training and Activation, Employment Services & Welfare, and Internships & Entrepreneurship.

Emigration is the theme for **Section 7**. This section addresses the implications of recession and a growth in unemployment on a young generation.

Section 7 incorporates some of the views of young people intending to emigrate and outlines recommendations which NYCI believe Government should implement to support Ireland's emigrating youth.

Section 8 provides an overview and evaluation of Government policy in respect of youth unemployment. It outlines a number of key policy measures Government have pursued to date and assesses the extent to which these initiatives have supported young unemployed people living in Ireland.

The report concludes with **Section 9** which outlines the policy solutions to addressing the

problem of youth unemployment. In this section, NYCI outlines a number of initiatives, which we believe if implemented would be effective in addressing the issue in the medium to long term.

Section 10 reflects on the issues highlighted in the previous section of the paper and concludes with a summary of NYCI's key policy recommendations to address youth unemployment.

There is little doubt that young unemployment is one of the single biggest challenges facing Ireland in 2011. The statistics are stark and if adequate measures are not implemented immediately the situation will deteriorate rapidly. The implications for the individual and for wider society will be devastating leaving repercussions for generations to come.

Government needs to acknowledge the magnitude of the problem of youth unemployment and respond with a coherent and integrated national youth employment strategy. Such a strategy has been discussed in greater detail in Section 6 of the report and is outlined again in the summary of recommendations overleaf.

SUMMARY OF RECOMMENDATIONS

SECTION 4

- Integration should result in the establishment of 'one-stop shops' at all locations where jobseekers can get all the supports and advice they require.
- Develop a charter of rights for young unemployed people.
- Increase the number of public employment staff either by recruiting more Employment Officers or by re-assigning staff from other duties to work directly with jobseekers.

SECTION 5

- Develop a section in FÁS targeting young people - working in partnership with youth organisations to ensure that it is best placed to meet the real needs of young people and receive a smooth process of referral from one key service to the other.
- The commitment to Work Placement Programmes should be rolled out swiftly, but subject to ongoing review before the end of 2011.
- FÁS training function should focus primarily on the unemployed.
- Young people should be offered the best education/training option for them.
- NYCI calls on Government to ensure that the Youth Framework is completed and published as soon as possible to ensure the provision of a range of supports for those between the ages of 16 – 25 in a cohesive and integrated manner.

SECTION 6

Education, Training & Activation Recommendations

- Structured programmes for 16-18 year olds based on a holistic model.
- A continuum of service provision should be ensured as with primary school to secondary school from secondary to further training/education supported entirely by the system from the career guidance teacher to FÁS etc.,
- Focus training on areas of potential employment/emerging new sectors.
- Ensure system provides clear steps of progression/flexibility/training that relates to each other.
- Develop alternative education models to meet the needs of non-mainstream learners.
- Explore how Community Training Centres need to change the way they work with young people to include more active learning.
- Increase the number of free part-time college places to 10,000 places in 2011/2012 which based on existing information would cost €21m.
- Develop a specialised training course to meet the needs of young people with low skills as proposed by the IVEA.

Employment Services & Welfare Recommendations

- In consultation with service users, overhaul the Social Welfare Local and Branch Offices and FÁS Local Employment Services and introduce an improved system of information which provides clients with unrestricted, high quality information.
- Ensure that there is specific and tailored training for personnel working in frontline services so that they can communicate effectively with young people.
- Improve delivery and access to information on entitlements and opportunities taking into account the views of young people. Information should be communicated in a simple and clear manner using a variety of methods to engage with young jobseekers particularly the hard to reach.
- Develop a website targeting young jobseekers – to include career guidance, mapping out routes and opportunities. Help young people to not only access but to use the information.
- Improve the supports offered to jobseekers around forms, understanding entitlements etc.
- Develop a National Youth Employment Strategy with key stakeholders.
- Support youth organisations to provide services and assistance to young jobseekers.
- All young unemployed people should have access to skilled professionals who can support them to make informed choices which are beneficial to their long term job prospects.
- An action plan for all young jobseekers under 25 should be developed jointly by the young person and the employment services.
- A 'reasons why' statement should be provided by FÁS/DSP when they refer any young person to an education, training or work experience opportunity outlining how this opportunity meets their needs and will enhance their long term career prospects.
- In a situation where a young person refuses an education and training option offered to them, they should have the right to appeal a decision.
- Courses such as the Local Training Initiative (LTI) should be refocused on young jobseekers between 16 and 25 years.
- Training opportunities should be targeted exclusively at those who are unemployed, particularly young people and the long term unemployed.
- All state funded courses should be required to provide certification within a three year period.
- Courses should be required to demonstrate their effectiveness in supporting the progression of young people into further education, training or employment.

Internships & Entrepreneurship Recommendations

- Government should adopt a Charter on Internships which support young unemployed people entering into internship with employers without fear of loss of social welfare entitlements.
- Develop a national scheme for work placement with formal links between training and employers and role-models (mentoring as well as training).
- Develop assessment process on achievement of placement/set learning objectives/ targets and accreditation for volunteering.
- Ensure sufficient follow-up after placements are over.
- Co-ordinate work experience linked in with local employers – identify struggling businesses that could benefit from interns.
- Establish a fund for young entrepreneurs under 25 to establish new businesses with the minimum of bureaucracy.

- Review enterprise supports for young people.
- Review the eligibility criteria from 12 to 6 months for the Back to Enterprise Allowance for young people under 25 to further support young business.
- Develop notion of community hub to bring people together who are interested in developing new business ideas.
- Introduce a National Buddy System for people starting their own business that connects into a system of people with skills who are unemployed i.e. accountants, lawyers etc.
- Review of second level curriculum – introduce entrepreneurship as a subject.
- Develop a community micro-finance scheme.
- Develop a website targeting young entrepreneurs.
- Explore creative ways to facilitate young people starting business such as low rent in unused buildings etc.
- Review welfare entitlements for self-employed.

SECTION 7

- Develop the FÁS EURES+ service to provide young people who are considering emigration with information on jurisdictions in the EU and outside such as Australia, Canada and the US.
- Promote the EURES+ information service to young people through the use of public campaigns and the media.

SECTION 8

- Establish an efficient appeals process to review cases in circumstances where social welfare is cut. All appeals should be processed within a 4 week period.
- Restore the Jobseeker's Allowance to the previous rate.
- Improve integration of services and payments to ensure young people are not discouraged from taking up training or education.
- Government to provide additional incentives for employers who employ someone under the age of 25.

SECTION 9

- Commission a feasibility study on how a 'Youth Guarantee' scheme could operate in Ireland.
- Government to establish a similar fund to specifically address the problems of youth unemployment and long-term unemployment.
- Establish a **Youth Employment Advisory Council** to advise and assist in the formulation and implementation of a **Youth Employment Action Plan** to address youth unemployment in Ireland.
- FÁS/DSP to develop a strategy to improve collaboration between and the State to create jobs for the young unemployed people.
- Government policies and practice must be evidence based and subject to evaluation.



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