

**NO  
JOBS**

**NO  
FUTURE**

**NO  
WAY!**

# **THE JOBS CRISIS**

## **A Republican Youth Analysis**

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# EXECUTIVE SUMMARY

Young people are bearing the brunt of austerity as the figures and the empty places around the family table across Ireland clearly show.

A general approach which doesn't home in on specific measures to improve the chances of young people finding jobs is irresponsible and will not help this generation. A reliance on austerity and cuts to get us out of recession will not work and will entrench youth unemployment and economic inactivity.

In short, we need a change of direction.

## **A change in direction means:**

- ★ Dropping or totally reworking anti-youth job policies like Job Bridge and the increase in retirement age
- ★ Putting in place pro-youth jobs policies like lifting the suspension of the Early Farm Retirement Scheme and recruitment ban on frontline staff where needed.
- ★ Implementing a strong effective stimulus package to kick start the economy and which will benefit young workers and the young unemployed
- ★ Protecting youth services and other public services so that young people have a fighting chance of finding employment
- ★ Pledging to work directly with all young people unemployed for three months to find them employment or the training they need
- ★ Shifting the tax burden off younger, lower paid workers and onto older, better paid workers in December's budget

The time to act is now. Young people cannot afford more time wasted on rhetoric or spent waiting on a vague EU funded solution.

The economy can't afford to wait either. €4 billion was the cost of youth unemployment last year. Tens of thousands of young people left our shores.

This government, like Fianna Fail before it, are failing. The alternative is a Republican approach creating jobs and a youth-friendly economy and society.

# ACHOIRME FHEIDHMEACH

Is daoine óga is mó atá ag fulaingt de bharr an déine, mar a léiríonn na figiúirí, agus mar a fheicimid I dtithe ar fud na tíre, áit a bhfuil spásanna folamh de bharr daoine a bheith imithe ar imirce.

Tá cur chuige ginearálta, gan bearta faoi leith chun cabhrú le daoine óga postanna a fháil, mífhreagrach agus ní chabhróidh cur chuige cosúil le seo leis an nglúin seo. Ní éireoidh linn deireadh a chur leis an gcúlú eacnamaíochta ag brath ar dhéine agus trí chiorraithe, agus cuirfidh na polasaithe seo le dífhostaíocht agus dímhaointus eacnamúil i measc daoine óga.

Go simplí, tá athrú treo ag teastáil uainn.

## Is é atá i gceist le athrú treo ná

- ★ Athchóiriú iomlán a dheánamh ar, nó deireadh a chur le polasaithe fostaíochta atá docharach do dhaoine óga, ar nós Jobridge, agus an meadú ar aois cáiliúcháin an phinsean
- ★ Ag cur chun cinn polasaithe atá fabharach do fhostaíocht i measc daoine óga, cosúil le deireadh a chur leis an bhfiontraíocht ar an Scéim luath-Scor Feirme, agus an bac ar earcaíocht ar fhoirme.
- ★ Beart spreagadh eacnamúil a chur le chéile, chun tús a chur le ath-fhás an gheilleagar agus chun cabhrú le oibrithe óga, agus daoine óga atá dífhostaithe.
- ★ Cosaint a dheánamh ar sheirbhísí do dhaoine óga, agus seirbhísí poiblí i gcoiteanna, ionas go mbeidh seans ag daoine óga fostaíocht a fháil.
- ★ A bheith ag obair, lámh le lámh, le daoine óga atá dífhostaithe ar feadh trí mhí, chun cabhrú leo fostaíocht a fháil, nó an traenáil atá ag teastáil uathu a fháil.
- ★ Ag bogadh an t-ualach cáine do dhaoine óga ó oibrithe óige, ar phá iséal, go dtí oibrithe níos sine, ar phá níos airde, sa bhuiséad seo.

Is anois an t-am a bheith gníomhach. Ní féidir le daoine óga fanacht a thuilleadh, fhad is a chuirtear níos mó ama amú, ag fanacht ar réiteach éigin de chuid an AE.

Ní féidir leis an gheilleagar fanacht ach an oiread. €4 billiún a bhí mar chostas ar dífhostaíocht i measc daoine óga anuraidh. Tá na mílte daoine óga tar éis dul thar lear.

Tá an rialtas seo, cosúil le Fianna Fáil rompu, ag teipeadh. Is é an rogha eile ná cur chuige phoblachtánach, ag cruthú fostaíocht, agus sochaí agus geilleagar atá tairbheach do dhaoine óga

# 1. NO JOBS, NO FUTURE, NO WAY! – A REPUBLICAN YOUTH ANALYSIS

Over the last few years Sinn Féin has come forward with ideas and initiatives to tackle the problem of unemployment in general and youth unemployment in particular.<sup>1</sup>

Last month Sinn Féin launched our “Jobs Plan- Investing in Ireland’s Future, Create Jobs- Create Growth”<sup>2</sup> and last week we launched our pre-budget submission mapping out an alternative, fairer way to balance the books and promote growth.

This document is a part of Sinn Féin Republican Youth’s (SFRY) ongoing “No Jobs, No Future, No Way!” campaign which has highlighted the joint issues of youth unemployment and emigration across the 32 counties. Here, SFRY maps out its proposed solutions and vision for a fairer, more youth-friendly economy and society.

This document when read in conjunction with the Jobs Plan and Pre-Budget Submission is Sinn Féin’s costed alternative to the austerity-fuelling policies of the current government. These two documents show where we would get the funding from and how we would continue to reduce Ireland’s deficit.

## CUT DOWN BY FIANNA FAIL, KEPT DOWN BY FG/LABOUR

There is a growing sense of anger among young Irish people when they examine their economic situation.

An Irish State which spent thousands educating this generation now leaves them with little other options than emigration. This means that Ireland is losing its most intelligent and skilled young people to far off lands. The benefits of the thousands of euro spent on educating a Doctor or an Engineer for example are lost when they have to leave the country to use their education, skills and experience elsewhere.

Many young people thought they were voting for change when they kicked out the old incompetent Fianna Fáil government which traded Irish sovereignty for a bad deal and saddled generations with private debt on the sovereign’s books.

As we approach two years since FG/Labour came to power, the situation of young people is as bleak as it was under Fianna Fáil. The government has failed to lift any of the burden this generation is carrying for the bad banks of the Fianna Fáil era. They have promised a lot and delivered very little.

Youth unemployment is scandalously high and forced emigration is in effect a policy choice of this government.

The failed policies of the Troika of Fianna Fáil, Labour and Fine Gael are costing the state almost 2% of GDP due to the scourge of youth unemployment.<sup>3</sup>

1 [http://www.sinnfein.ie/files/2011/Youth\\_Jobs\\_Document.pdf](http://www.sinnfein.ie/files/2011/Youth_Jobs_Document.pdf)

2 <http://www.sinnfein.ie/files/2012/SF-Jobs-Doc-web.pdf>

3 Eurofound (2012) NEETS –young people not in employment, education or training: Characteristics, costs and policy responses in Europe, Publications of the European Union, Luxembourg Page 9



## THE ALTERNATIVE: SINN FÉIN'S WAY

This document lays out Sinn Féin's alternative approach. It is an approach which would grow our economy and give our young citizens the chance to work at home.

Sinn Féin's approach would create jobs for young people.

Government policies are not working for young people. In this document we present Sinn Féin's policy proposals which are specifically targeted at young job seekers. We will show how the government's current policies are not helping and in some cases hindering youth employment. Rather than ignore or create negative impacts for young people a Sinn Féin budget would favour younger people- we will show how.



## 2. WHERE YOUNG PEOPLE STAND IN THE IRELAND OF 2012 AND THE NEED FOR A REPUBLICAN ALTERNATIVE

In 2011, 87,000 people left the 26 Counties. That is nine people every hour leaving.

While CSO figures are incomplete it is beyond doubt that the majority of those leaving are young and that they are leaving for economic reasons in other words, they are leaving to find a job.<sup>4</sup>

Over the last three years, over 200,000 people have emigrated.

**There are now over 460,000 people on the live register (26 Counties). 30% of young people are unemployed (26 Counties/under 25 year olds) and this figure is as high now as it was 18 months ago.**

The generation of Irish people who have entered the labour force since Fianna Fail's destruction of the Irish economy and those that have entered since are bearing the brunt of the economic mistakes of another generation. This is unjust.

What is more unjust however is the failure of the current government to acknowledge and to address this fact. This government speaks about job creation but in their Jobs Action Plan (126 pages long)<sup>5</sup> there are only two references to young people. That fact tells us how little attention they are actually giving to fighting the scourge of youth unemployment and emigration.

### FIANNA FÁIL FAILED, NOW FINE GAEL/LABOUR ARE FAILING YOUNG PEOPLE

Likewise when we see this government pumping billions into zombie banks and paying off bond holders we must compare this to their investment in job creation.

**In 2011 this Government pumped €21.4 billion into the banks and less than €500 million into job creation and none of that specifically targeted at young people.**

When people voted for change 18 months ago Sinn Féin challenged Fine Gael and Labour to bring that change about. As the real opposition in the Dáil and Seanad we have consistently challenged them every step of the way to change tack and not to blindly follow the path of Fianna Fáil.

They haven't changed from Fianna Fáil's policy of vainly trying to cut our way out of recession. The result is the same- Unemployment is at 14.8% and at 30% for young people, Emigration is still sky high.

**Since 2008, this state has shed more jobs than any other Western country since the Great Depression. Austerity isn't working. It didn't work for Fianna Fáil. It won't work for Fine Gael/ Labour.**

<sup>4</sup> PQs no 157 and 158 June 12, 2012

<sup>5</sup> <http://www.djei.ie/publications/2012APJ.pdf>



## THE FIGURES: DEEPER PROBLEMS THAN THE 30% OF YOUNG PEOPLE UNEMPLOYED..

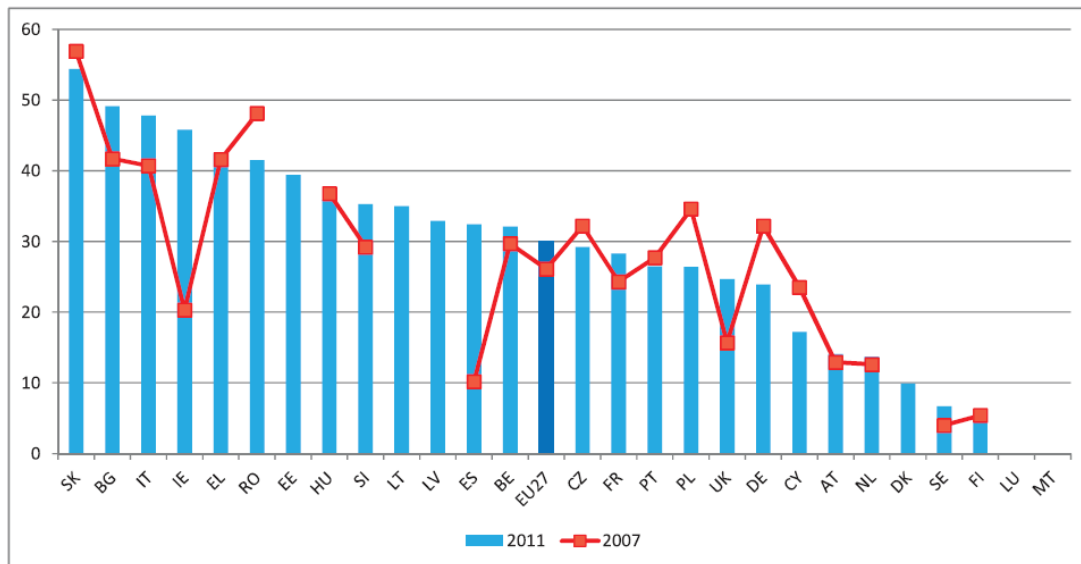
A measure of how inactive and unsuccessful Fine Gael and Labour have been in tackling the youth unemployment crisis can be seen in Ireland's *NEETs* rates. *NEETs* are people **Not in Employment, Education or Training**. A recent Eurofound report<sup>6</sup> put the *NEETs* rate in Ireland at 22% overall for 15-29 years old. This means that as a percentage of our young unemployed the *NEET* rate in Ireland is among the highest in Europe-

**In other words Ireland has more young people unemployed and is doing less to help them than other EU countries are.**

The depth and extent of this crisis is hidden somewhat by our appalling emigration statistics but there are other worrying facts behind the headline figures.

**For example the same Eurofound report notes that the percentage of young people classed as long-term unemployed has sky-rocketed (4<sup>th</sup> highest in EU)**

Figure 6: Proportion of unemployed young people who are long-term unemployed, 2007 and 2011

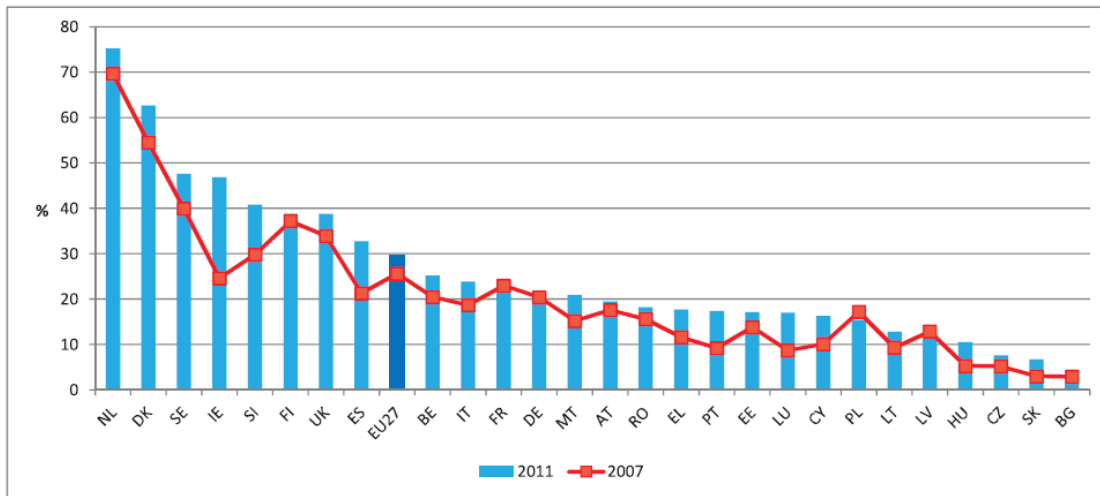


Note: Long-term unemployment is defined as being unemployed for 12 months or more.  
2007 values missing for EE, LT, LV and DK; 2007 and 2011 values missing for LU and MT.  
Source: Eurostat, June 2012

<sup>6</sup> Eurofound (2012) *NEETS – young people not in employment, education or training: Characteristics, costs and policy responses in Europe*, Publications of the European Union, Luxembourg

And the number of young workers in part-time work has also shot up:

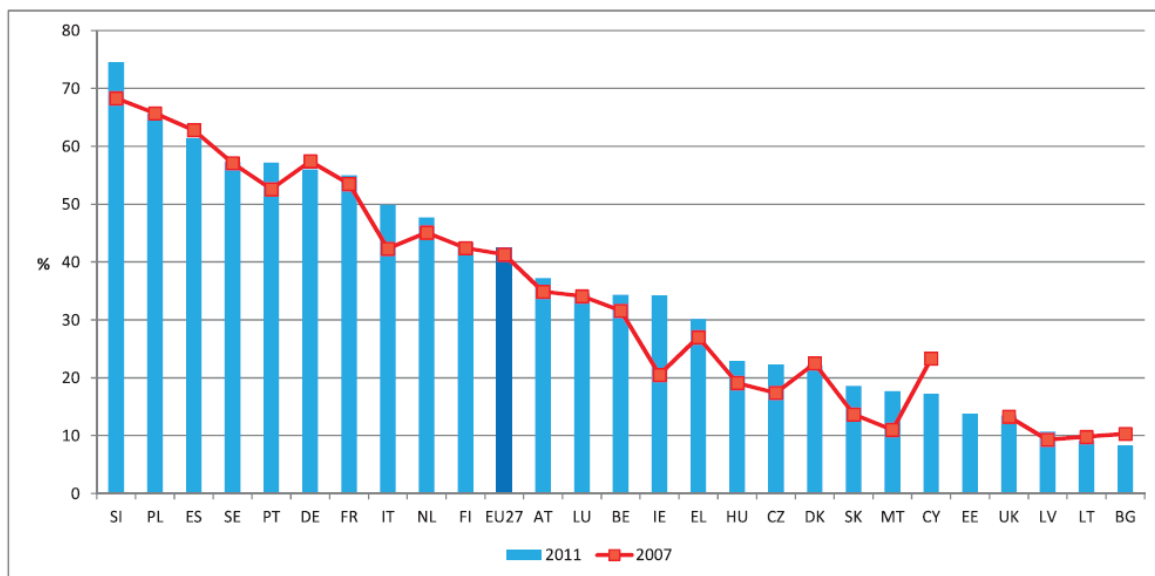
Figure 12: Part-time workers as a proportion of total youth employment, 2007 and 2011



Source: Eurostat, June 2012

The same increase can be seen in the number of young people in temporary employment:

Figure 14: Young people in temporary employment, EU Member States, 2007 and 2011



Source: Eurostat, July 2012

Taken together these figures illustrate some definite trends in the Irish figures:

- ★ While the economic downturn has hit many EU countries Ireland has been hit particularly badly. Some of this may be due to external factors but the question of poor economic management and bad decision-making must also be factored in. The approach undertaken in Dublin has been to cut public spending, pay, services and welfare provision which has deepened rather than addressed the crisis.
- ★ Those young people still working in Ireland today are more likely to be in part-time or temporary work most likely meaning they are underemployed or in less secure employment.
- ★ The Irish case is particularly worrying in that almost half are now nearly long-term unemployed. The jump in the long-term unemployment rate is more pronounced than in any other country- another sign of a poor response from government in Ireland to the crisis.

The figures don't lie. Ireland's youth unemployment problem is not going to be a temporary phenomenon. There are serious structural issues that must be addressed. The problem is deeper than 3 in 10 being out of work and another 150,000 having left our shores. It is a major problem that almost half our young unemployed have now slipped into long-term joblessness and those that are working are more than ever working part-time or in temporary employment.

Our economy is not making use of our young educated citizens and is suffering accordingly.

## **THE ECONOMIC AND SOCIAL COST OF INACTION IS UNSUSTAINABLE.**

When Sinn Féin last met the Troika we told them in no uncertain terms that a society with youth unemployment running at 30% and tens of thousands of young people emigrating ever year is not a sustainable society.

**Eurofound put the cost of our NEETs at 2.77% in 2011 of GDP- that was over €4 billion!**

There is another social cost that cannot be ignored. That is the cost of forced emigration. Government attempts to paint emigration as a lifestyle choice, or not as an economic necessity, will ring hollow in townlands, villages, towns and cities across the country.

The heart of many communities is being ripped out by forced emigration. GAA clubs, local pubs and community groups are struggling to survive because of the lack of young people who can find a job in their own communities. Rural Ireland, already reeling from cuts, is bearing the worse of this emigration crisis.

This is an emotive issue for families across the nation and rightly so. Our history means we often have established networks of family and friends living abroad from previous generations of forced emigration. To stand idly by and let this tragedy repeat itself is quite rightly causing great anger among young people and their families.

## **IRELAND NEEDS A NEW APPROACH; SINN FÉIN IS THE ONLY PARTY THAT IS CARVING OUT AN APPROACH WHICH WILL BENEFIT IRELAND'S YOUTH.**

What this generation of young people need is a change in economic policy.

Sinn Fein is offering that change. In our recent Jobs Plan- "Investing in Ireland's Future: Create Jobs- Create Growth" Sinn Fein laid out how we would bring about an actual change in economic policy.

We would invest €13 billion into real economy from the National Pension Reserve Fund, the EIB and the private pension sector. We would get young people back into work!



### 3. AN ALL-IRELAND YOUTH LED RECOVERY

The importance of developing All-Ireland solutions to enhance economic recovery is now widely accepted. The challenge at this point is to put the necessary structures in place to achieve this. Sinn Féin is the only party which is prioritising All-Ireland solutions to economic growth. There is a vast potential in harmonised revenue raising and economic development across the island. Experience has shown that Ireland cannot reach its full potential with two competing economic systems on such a small island. Sinn Féin is advocating an all-island strategy to stimulate economic growth and provision and is asking for the necessary information and fiscal powers to achieve this.

Within the North there exists a long standing challenge in accessing full and detailed information from British Treasury officials regarding revenue, public expenditure and indeed economic development. This lack of information creates challenges when moving towards an All-Ireland economic strategy. It is a challenge that Sinn Féin is ready to address. Sinn Féin is asking for the North to have the opportunity to engage in proper economic development. This does not happen at present.

The majority of revenue which is generated within the North exits the system to the British Consolidated Fund. British Treasury Policy dictates that all receipts which are set by Westminster but which are collected within Scotland, Wales and the North are handed over to the British government. In return these areas are allocated funding which reflects expenditure on public services delivered by Westminster. It is a formula based upon population, not on any consideration of needs or requirements within the North. Sinn Féin is challenging the British government to devolve full fiscal powers to the Northern Assembly. Securing this will improve the situation for all the people of Ireland and will open up the possibility of a full and detailed all-Ireland Economic Strategy. Developing an All-Ireland approach to economic recovery will provide greater opportunities for young people across the whole of Ireland.



## **4. INVESTING INSTEAD OF CUTTING = JOBS FOR OUR GENERATION. A REAL STIMULUS**

You cannot cut your way out of recession. That is becoming more and more obvious yet the government is ploughing ahead on a course which will lead to more young people on the dole or living in Australia and Canada. Sinn Féin would take a different approach.

By investing 13 billion into the real economy Sinn Féin would create 150,000+ jobs and retain 15,000 more over the next four years.

**How would this benefit young people in particular?**

### **JOBS IN CONSTRUCTION:**

Sinn Fein would build an additional 100 schools and 50 health care centres and implement a retro-fitting scheme to help kick-start the economy. We would complete the A5 dual carriageway connecting Dublin to Derry and Letterkenny. We would regenerate Dublin and Limerick city centres and the Cork Docklands.

This would produce thousands of jobs in the construction sector which is one of the hardest hit in terms of young people losing jobs over the last few years. Young men in particular have suffered from the collapse in the construction sector. These skilled workers are among the most likely to be tempted to Canada or Australia where the construction and related industries are actively seeking immigrants.

Putting thousands of skilled young people back into work or keeping them in work and off the dole building much needed schools and health care centres would help the economy recover to a point where the construction sector can have a bright and sustainable future.

### **JOB RETENTION SCHEME:**

The "last-in, first out" model of labour management clearly makes younger workers more susceptible to being let go when an employer is facing difficulties.

Sinn Féin's proposal for the state to step in to help retain 15,000 jobs on a temporary basis until things improve would protect these vulnerable young workers.

### **A SAFETY NET FOR YOUNG ENTREPRENEURS:**

Young entrepreneurs are more likely to be reluctant to go into business on their own if they are afraid of losing everything if their business fails. By giving entrepreneurs the option of contributing PRSI at the same level as PAYE workers Sinn Fein would incentivise young people to create jobs in young start-up companies by ensuring they can opt-in to the social system.



## MORE JOBS FOR YOUNG TEACHERS AND HEALTHCARE PROFESSIONALS:

Sinn Féin would lift the recruitment ban in order to staff the new schools and health care centres we would build. Young teachers and nurses currently surviving on part-time or on the dole would have hundreds more jobs to apply for. These two skilled groups are among the most critical to our recovery and among the most likely to leave if jobs are not created in Ireland.

Sinn Féin would hire 3,500 frontline staff focussing on teachers and healthcare staff but also including Gardaí and welfare department staff.

## A STATE CHILDCARE STRATEGY:

Sinn Féin would commit to devising a state childcare strategy which would reduce the cost of childcare allowing young parents to work and contribute to the economy.

## SHIFTING THE TAX BURDEN OFF THE LOWER PAID/YOUNGER WORKERS

Sinn Féin would shift the burden onto higher income and wealthier individuals. This would mean in general lifting the burden on younger, lower paid workers.

### Specifically Sinn Féin would

- ★ Maintain tax rates and bands for income under €100,000 per annum.
- ★ No property tax which would affect many already struggling young homeowners living with negative equity- instead we would introduce a wealth tax
- ★ Take all those earnings below minimum wage out of USC.





## 5. WHY GOVERNMENT POLICIES ARE FAILING YOUNG PEOPLE

This government is indifferent to the plight of young people in Ireland today. Their economic figures rely on emigration to save them from complete embarrassment. They do not have the will to deal with youth unemployment and emigration and just as seriously they don't have the know-how.

Their policies are actually doing damage to the prospects of young people and to the economy.

A quick look at some of their policy positions will show how this is the case and how Sinn Féin differs.

### PROTECTING YOUTH SERVICES- NO MORE CUTS

Services for young people have not escaped the cuts of Fianna Fail, and FG/Labour. At a time when youth services are more in demand than ever due to the economic situation they have had to manage with cuts of 20% since 2008.

Sinn Fein would stop any further cuts. Youth organisations in Ireland reach 382,000 young people through their work more than half of which are from socially disadvantaged areas.

They can be the difference between a young person or a child living in poverty or keeping their head above water. The social benefits of the work done by youth organisations cannot be squandered for short-term financial savings.

The economic benefits too are well documented with each €1 invested in youth services returning €2.20 in the long run.<sup>7</sup>

#### **Impact for young people:**

While difficult to put a figure on, the work of youth clubs and other youth services across the island maintains a social outlet for young people. The rise in suicides and mental ill health in times of economic distress are well documented. Cuts to young services to young people on top of the failure to protect frontline healthcare services can only exacerbate this situation.

### OUR THIRD LEVEL EDUCATION SYSTEM:

Our third level education system needs to be fit for purpose and open to all on the basis of ability. It also needs to be an engine of innovation for our economy and capable of producing graduates who can keep us competitive in a global economy.

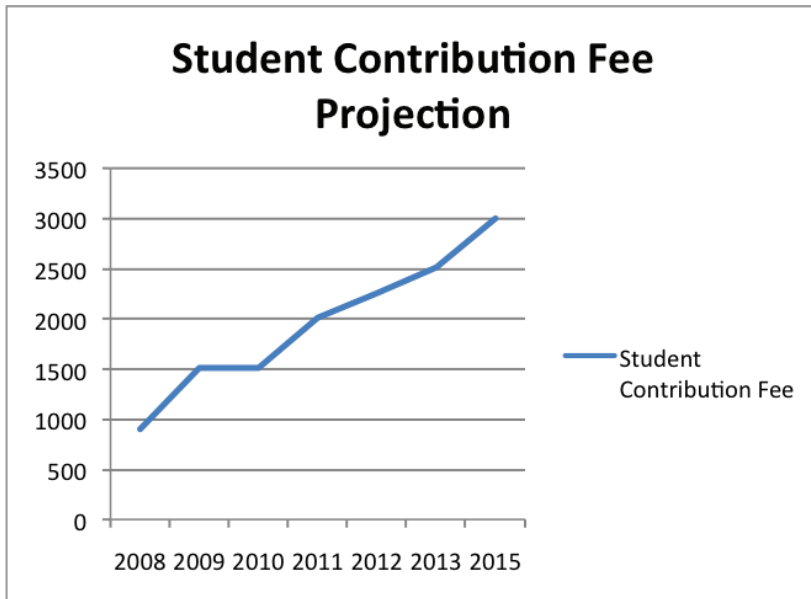
#### **What the government is doing:**

Minister Quinn has strongly indicated that third level fees of €3,000 per year will have to be paid by 2015 with another €250 hike in the Student Contribution Fee set to be implemented as part of December's budget, which will be repeated in 2014 and 2015.

7 All figures in these section on Protecting Youth Services from National Youth Council pre-budget submission

**What Sinn Féin would do:**

*No increase in student fees or grant allocation criteria. If we are to build a smart economy we need our young people to be educated. University and third level education should be open to all.*



We need to work to reaching a target of 3% of GDP investment in R and D to stay competitive. This means increasing co-operation and planning between all the third-level and research institutions to deliver national centres of research excellence. Enterprise Incubation Centres will also provide for 3rd level out-reach research and tuition, with each county being linked to a relevant third-level institution.

**Jobs impact for young people:**

The government’s cuts will do lasting damage to our economic prospects. They will prevent many young people from ever getting a third level education. This is a short term plan which in the medium and long run will leave Ireland unable to compete and our education system lagging behind others.

Sinn Fein’s alternative will position Ireland at the forefront of the smart global economy and in innovation.

Young graduates and school leavers will have a third level education that will provide them with relevant and respected qualifications which will make Ireland more competitive in the new economy.

**JOB BRIDGE TO NOWHERE?**

One of the key aspects of the government’s job strategy has been the National Internship Strategy or “JobBridge”. It has attracted controversy since day one for the lack of monitoring for the quality of internships.

The government contributes an extra €50 to an intern’s dole allowance if they are in an internship.

At the launch of Job Bridge Sinn Féin said it was open to abuse and we have been proved right.

Job Bridge has become a way for businesses to fill vacancies and have the state pay for it. The range of internships available on Jobbridge.ie any day shows companies clearly abusing the scheme to fill vacancies that they otherwise would have to hire a worker for.

The effect is that young people are often working for only €50 extra a week at the cost of the state and taxpayer while exploitative companies benefit from their labour. As a means of reducing youth unemployment it makes no sense.

Hairdressers, receptionists and waiters which should be employed by companies are being paid for by the state. The workers gain little or no useful experiences and more and more research suggests that internships limit a worker's earning potential in the long-term.

### **Jobs impact for young people:**

Job Bridge achieves nothing but the displacements of jobs for young people. It needs to be scrapped or severely overhauled to make it fit for purpose. The man responsible for monitoring the Job Bridge scheme is the CEO of Hewlett Packard- a notoriously anti-Union company.

This government should not be facilitating the exploitation of young people's labour and the displacement of jobs in the real economy. Any internship should actually benefit the prospects of the intern when completed and not displace any paid jobs.

Sinn Féin would not facilitate the job displacing effect of JobBridge and instead focus on creating hundreds of jobs with full social protection for young workers.



## 6. SINN FÉIN POLICIES TO CREATE JOBS FOR YOUNG PEOPLE

Above and beyond what we would do differently to the government Sinn Féin is proposing a range of specific policy measures to make job creation for young people a reality.

These are specific initiatives designed to make the job market more accessible to younger people.

- ★ **An individual plan for the long-term prospects of every person under 25 on the Live Register and a skills audit of all those under 25 who are currently unemployed, to be carried out within three months, to identify the gaps between the skills of the unemployed and the skills required for those sectors of the economy identified as potential growth sectors.**

The state must engage with each young unemployed person and work with them to find employment. A hands-on approach is required to do this. More and more young people are slipping into the category of long-term unemployed. The longer a worker is unemployed the less likely he/she is to find employment. A system for an early hands-on interventionist approach looking at their strengths and weaknesses and leading to recommendations for training, further education etc. must be put into place.

That would be Sinn Féin's pledge to young people and would not be linked to any "work-fare" arrangements.

There are models for best practice across the EU where varying styles of such an approach have had successes. Limiting this approach to only those who are already long-term unemployed is a dangerous approach in our view. (See discussion below on a Youth Guarantee)

- ★ **Reverse the extension of the retirement age.**

The government's extension of retirement age (the age a worker becomes eligible for a state pension) to 66 in 2014 and beyond over the coming years is a step which, among a host of other problems, will lock more young workers out of the labour market because 10,000 more people will be still in employment or job-seeking. At the age of 65 workers should be entitled to a state pension.

In this era of mass youth unemployment raising the retirement and keeping these workers in the labour market makes no sense. A reversal of this policy would free up to 10,000 places for young people in the labour market in 2014.

- ★ **Lift the suspension of the Early Farm Retirement Scheme to make farming an option for younger people**

The suspension of the Early Farm Retirement Scheme should be lifted. Allowing young people move into farming is important for rural employment and rural life. It is essential too that CAP reform does not hinder any young farmer or new entrants from becoming involved in agriculture.

Rural areas are suffering severely from high levels of emigration and there needs to be a level of investment in creating sustainable employment in these areas.

The ongoing suspension means hundreds of young people each year cannot avail of this scheme to ensure sustainable family farms.

- ★ **Maintaining numbers and modernising Community Employment schemes, making the schemes more relevant for the needs of society and local government, and ring-fencing a set number of places for the young unemployed. All schemes should fit into the FETAC or HETAC awards scheme (Quality and Qualifications Ireland) so students can progress to higher levels of educational attainment and qualifications. This means lifting the bar on under-25s to CE schemes. In 2012, there are many under-25s who are long-term unemployed.**

CE schemes are proven to provide unemployed people with paid work experience while contributing to their communities. Originally the schemes were designed to benefit the long-term unemployed and other discriminated against and hard-to-reach groups. This needs to be looked at again as youth unemployment becomes a more critical question.

Our proposal seeks to re-balance the schemes in favour of younger unemployed people and protect the integrity of the schemes over the coming years.

- ★ **The extension of the BOOST and RYE (Rural Youth Entrepreneurship) programmes (Six-County programmes aimed to develop business potential and increase skills among vulnerable 16 to 30-year-olds in rural areas) to the 26 Counties, making them all-Ireland.**

The RYE scheme has been a success in the Six Counties and should be extended to the whole country. It is focussed specifically on young rural unemployed people. The RYE model draws on the experience of existing successful urban programmes and promotes multi-disciplinary collaboration with the focus on enhancing the knowledge and skills base of young people in rural areas that will continue to impact long after the project's end.

Through participation in the BOOST Programme rural unemployed 16-24 year olds will have an opportunity to develop skills to increase their employability and improve their chances of securing a job.





## 7. THE EU AND YOUTH UNEMPLOYMENT

For months now we have been told each EU Council meeting has prioritised the issue of youth unemployment. In January, Commission President Barroso announced that he would be dispatching an “Action Team” on Youth Unemployment to Ireland. The concrete result according to the Commission’s own provisional report was:

**In Ireland, € 25 million were shifted to the integrated Youthreach programme which provides education, training and work experience to young people who have left school early without any qualification or vocational training. This will ensure that 3 700 training places for early school leavers are maintained until end 2013.**

At a time when the EU is launching proposals on Banking and Economic Union and negotiating a multi-billion budget for the coming years it is regrettable that their ambitions and resources for tackling youth unemployment are so measly. To put this into context, the EU Commission’s proposals for the 2014-2020 budget allocate €62 billion to “Administration” and €18.5 billion for “Security and Citizenship”.

The volume of press releases and the level of insistence from the EU that it is prioritising tackling youth unemployment is encouraging but as of yet the actions have not matched the background noise. The EU in 2012 can find €100 billion seemingly overnight for the Spanish banking system but its reaction to the youth unemployment crisis hitting many countries is anything but swift and effective.

Sinn Féin will push the Irish government through our TDs, Assembly team and MEP to genuinely push for real action on youth unemployment during Ireland’s Presidency of the EU in 2013.

Youth and youth accessible EU programmes, especially programmes that deal with youth unemployment should be protected in the forthcoming Multi-Annual Financial Framework Programmes. The government must fiercely resist any cuts to Youth programmes.

### A YOUTH GUARANTEE?

There is currently much debate in Europe and at home on the question of a “Youth Guarantee”. The concept of a Youth Guarantee is not a brand new one. Systems like this operate in several EU countries. Sinn Féin will examine the EU’s proposals for a Youth Guarantee when they are released.

#### WHAT IS A YOUTH GUARANTEE?

**A Youth Guarantee in its simplest form is a commitment or guarantee to young people that they will be guaranteed a job or further training through the social protection system. Usually, conditions such as an age limitation and a period of unemployment would be attached to the guarantee.**

Sinn Féin has already laid out above how a state should be active in assessing a young person’s skills and provide training or assist them in acquiring employment. This is in reality a youth guarantee.

The question of a Youth Guarantee at EU level is for now a distraction. As we have seen Ireland has among the highest level of NEETS in Europe- higher even than our position for youth unemployment. This is clear evidence of a laissez-faire approach by this government towards tackling youth unemployment. To now attempt to be seen as champions of action of EU level is simply shifting attention away from domestic inaction.



There is zero clarity as of yet as to what is being proposed at EU level and critically how it will be funded (or if it is be funded at all as a financial instrument).

The proposal will be in the form a Council Recommendation, one of the weakest legal instruments available to the EU. In effect, the "Guarantee" may amount to a "best practice" set of guidelines.

Several theories and opinions as to how any guarantee would be financed have also been raised.

Recently, the French and Austrian governments floated the idea of funding a guarantee through a Financial Transaction Tax (FTT). As the Irish government has said it will not take part in a FTT, (a position SF supports), it is probable that we would be excluded from any such scheme. The idea of funding a guarantee through the European Social Fund (ESF) has also been mooted. The European Parliament in a report from 2010 (Turunen Report) called for 10% of the ESF to be earmarked for youth funding. Ireland received €375 million from the ESF over the 2007-2013 period. The cost of a Youth Guarantee in Ireland according to the ILO would be €435 million<sup>8</sup>- more than our entire ESF funding for the next seven year period- which in all likelihood will not match this period's amounts. Moreover monies from the ESF would have to be diverted away from other projects such as the CE schemes.

Even allowing for part-financing the fact remains that a EU Youth Guarantee is not something we should be putting all our hopes into.

Sinn Fein takes a far more ambitious approach than to wait for guidelines and possible part-funding from the EU which may come with a great deal of conditionality such as "workfare" requirements. Any monies from the new round of EU funding are unlikely to reach us until late 2014.

Sinn Féin is proposing action, here and now, to tackle youth unemployment and emigration.

A Youth Guarantee, EU based or otherwise, may play a role as the fight against youth unemployment develops but for now Sinn Féin's focus is on the 30% of young Irish people unemployed and the younger people who will soon enter that labour market.



<sup>8</sup> Studies on Growth with Equity Eurozone Jobs Crisis Trends and Policy Responses ILO 2012 Page 25