



NO JOB?  
NO FUTURE?  
NO WAY!

SOLUTIONS TO  
YOUTH UNEMPLOYMENT



# (1) Introduction

One in four young people are now unemployed. At the start of 2010 the number of those unemployed under the age of 25 in the Twenty-Six Counties had reached 85,000, an increase of almost 150% in a year. Young men are worst affected, with one in three men under the age of 25 being out of work. Dole payments for young people have been slashed and it is estimated that 60,000 people emigrated in the last year.

If government doesn't act to tackle soaring youth unemployment this will have huge implications for the economy and for society into the future. But the government has no strategy to keep young people in Ireland and use their skills to rebuild the economy.

Emigration is not a solution. Cutting youth dole payments is not a solution. Cutting or driving down wages is not a solution. The issue of youth unemployment isn't just about tackling a problem – crucially it is a matter of accessing an untapped potential and using that potential to build a better future. Investing in youth employment now will pay dividends well into the future. The countries that have successfully tackled youth unemployment are those that have made greater investment in building up the capabilities of people who are unemployed. A 'hands on' approach is required to help young people make the transition between education and workplace in a time of severe economic difficulty.

We need to deal with the legacy of the Celtic tiger and the fact that so many young people, over the last decade, left education early and entered sectors of the economy such as construction which have now collapsed. We need to focus on the long-term prospects of those who are currently unemployed. This will mean spending more money now, in order to spend less later. Sinn Féin advocates doing this by taking revenue from the pension reserve fund and by implementing the revenue-raising proposals set out in our Budget 2010 pre-budget submission, including introducing a third tax rate of 48% on individual earnings in excess of €100,000 (raising €355 million), standardising all discretionary tax reliefs (raising €1.1 billion) and introducing a 1% wealth tax on all assets worth more than €1 million, excluding farmland (raising an estimated €1.6 billion).

## Among Sinn Féin's proposals to get at least 50,000 young people off the dole are:

- A youth jobs fund to create 20,000 new jobs at €500 million.
- An individual plan for the long-term prospects of every person under 25 on the live register.
- 2,000 places on a 'One More Language Scheme' to give the young unemployed a chance to learn an extra foreign language at €20 million.
- 5,000 free ECDL advanced places at €25 million.
- 10,000 new CE places at €168 million.
- 1,000 places on conversion courses at third level to help graduates convert their skills to potential growth sectors, at €15 million.
- 8 measures to treble the number of under 25s who are self-employed including a national entrepreneurship programme, access to credit and greater support for high-potential start-ups.
- A publicly-owned green tech firm for Ireland and a major drive to attract FDI in renewable energy at €100 million.
- Making Ireland a digital media leader through support for skills, infrastructure and entrepreneurship.
- A 'National Development Scheme' to employ people directly on public works projects, employing 2,000 workers at approximately €100 million.
- Lifting of the suspension on the early farm retirement scheme to make farming an option for younger people.

Every one of the 85,000 young people who are currently unemployed has something to offer, as do the 60,000 who were forced to emigrate last year. We need to determine what that is – what are their skills, what are their interests and how do we build on these and match them with potential growth sectors in the economy in order to get on the road to recovery. The skills, enthusiasm, energy and creativity of the young people who are currently unemployed must be used to build a sustainable and prosperous future. Young people need to be enabled to establish vibrant new businesses, social enterprises and co-operatives.

Tackling youth unemployment has to be approached from the point of view of both improving the employability of those who are unemployed, and most importantly creating jobs.

We can beat youth unemployment. The solutions exist. In 2009 Sinn Féin published 'Getting Ireland Back to Work' in which we set out 80 proposals to retain and create jobs. Our pre-budget 2010 proposals set out our approach in terms of what was needed to get the economy on the road to recovery. Arthur Morgan TD recently produced a report for the Oireachtas Enterprise Committee on what needs to be done to create jobs in the agri-food sector.

Here, building on the proposals put forward in those documents, Sinn Féin sets out proposals costing €1.316 billion which if implemented would have the potential to get at least 50,000 young people off the dole immediately and create many more jobs over the next couple years, particularly as those who are enabled to start their own business subsequently expand and start employing others.

## (2) 'Getting Fit for a New Economy'

The people under the age of 25 who are unemployed are not all the same. Because they have different levels of educational attainment, different skills and different needs, different strategies will be required to improve their employability. With this in mind Sinn Féin is calling for:

- A skills audit of all those under the age of 25 who are currently unemployed, to be carried out within 3 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.
- An overhaul of FÁS which would see it providing an individual plan for the long-term prospects of every person under 25 on the live register, varying according to their situation, based on their interests and aptitude, identifying the barriers preventing them from getting a job and an education and tackling those barriers.

This will require FÁS taking on more staff qualified in career guidance. We would fund this by cutting wages of the top grades in FÁS as well as eliminating the notorious waste of resources within this state agency. In addition, we would target extra resources and tailor programs for the high percentage of unemployed young people concentrated in unemployment hot spots and disadvantaged areas (areas previously covered by the Rapid and Clár schemes).

Specific steps will be required to deal with early school leavers, those without a post-leaving certificate and those, including some graduates, whose skills do not match the needs of a changing economy.

Those midway through a process of acquiring a qualification such as the apprentices seeking work placements (of which there were 3,080 within 6 -12 months of completing their apprenticeship at the end of January) should be facilitated in doing so, either through the public sector or by incentivising private sector employers to take them on.

### Proposals

- Provide a personal literacy or numeracy tutor to anyone identified in the skills audit as having literacy or numeracy difficulties. In a drive 'by the young for the young' to eliminate illiteracy amongst the under 25s, hire unemployed graduates and in particular teaching graduates on a specific CE scheme to work as literacy and numeracy tutors. Cost: approx €5 million.

- Introduce a G.I. type bill where education, training or upskilling identified as required under individual plans would be provided free of charge (fees would be waived) and social welfare benefits would be retained during the course of study, from the completion of leaving certificate to the completion of third level degrees. Cost: approx €100 million.
- Make 'Second chance secondary' a real option by substantially increasing the number of places provided through Youthreach, reversing the Budget decision to reduce allowances to participants and bringing these allowances in line with the real cost of living and learning. Cost: 2,000 extra places at approx €100 million.
- Make 5,000 free places available on courses for under 25s to bring participants up to ECDL Advanced level in terms of IT skills. Cost: approx €25 million.
- Ensure that courses provided to the unemployed by FÁS are made directly relevant to the needs of potential growth sectors of the economy including tourism, the agri-food sector, IT, and green technologies.
- Introduce 1,000 free places on conversion courses at third level institutions to ensure that, for those sectors where there is an over-supply of skills and qualifications (architects, solicitors etc), graduates are enabled to 'convert' their skills to make them relevant and suitable to the needs of a changed economy, particularly focused on the needs of the potential growth sectors of the economy. The findings of the skills audit will inform the type and number of conversion courses that will need to be provided. Cost: 1,000 places at approx €15 million.
- Introduce a 'One More Language' scheme to cover costs for the young unemployed to study an additional language at an accredited institution. The objective of the scheme would be to get young people (including those qualified in business, marketing, communications and IT) ready for employment in an export-orientated economy and for work in the tourism sector. Cost: 2000 places at approx €20 million.

## (3) 'Use Them or Lose Them'

Failure to implement a strategy for creating jobs for the young unemployed will cost us dearly. Young people will emigrate, their skills will become rusty or they will slip into long-term unemployment. It is a situation of 'use them or lose them'. In all the difficulties being experienced there are opportunities. In the introduction we say that we need to use the skills, enthusiasm, energy and creativity of the young people who are currently unemployed to build a sustainable and prosperous future - here we put forward proposals to do this.

We envisage the young people who are currently unemployed breathing new life into our tourism sector, the IT sector, the agri-food sector, the culture and creative industries and into improving our communities. Government departments such as Arts, Sports and Tourism as well as Community, Rural and Gaeltacht Affairs have a key role to play in a strategy to tackle youth unemployment. In striving to make the best use of what we have we envisage the existing industrial, commercial and retail properties which are vacant and idle (including NAMA properties) being made available to young entrepreneurs and for community facilities. We see a central role for the public sector in getting the economy on the road to recovery. We also see self-employment, which is rarely pursued as a viable option for the young unemployed, as having the potential to play an important role.

In order to move out of recession and into recovery the government needs to stimulate the economy, and it can do this while simultaneously maximising revenue intake so it does not have a negative effect on our borrowing levels. In our submission in advance of Budget 2010 Sinn Féin proposed:

- A €3.218 billion economic stimulus package with a range of measures to get Ireland back to work.
- A €723 million household stimulus package to help families in severe financial difficulty due to the cost of living.
- €3.7 billion to be taken in increased revenue that will not have a deflationary impact on the economy, but will bump up the state's coffers.

## **Stimulating the public, private and social economy sectors**

- ‘A youth jobs fund’. €500 million of the economic stimulus package to get Ireland back to work to be put into a youth jobs fund. It would be open to organisations in the public and private sectors, social enterprises, co-operatives and young would-be entrepreneurs with the capability to create real jobs that deliver community benefit and are suitable for young unemployed to bid for money from the fund. A percentage of the funding will be set aside for green jobs. We would envisage this fund supporting the provision of many of the jobs set out in Part 4 and Part 5 of this document. We would envisage the fund creating 20,000 jobs directly. Cost: €500 million.

## **(4) Getting things moving - the role of the public sector, self-employment and co-operatives in kick-starting economic recovery**

### **The public sector and direct public employment**

It makes no sense that many public services remain understaffed while qualified highly-skilled workers remain on the dole. Nurses and physiotherapists wait in a dole queue while those needing their services wait on lengthy waiting lists. Much of this is the result of the flawed across-the-board public sector embargo, which needs to be lifted and replaced with genuine public sector reform that includes significant cuts to inflated salaries at the top. The public sector and direct public employment should be used to kick-start the economy and get young people off the dole by:

- Increasing and modernizing CE 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 so students can progress to higher levels of educational attainment and qualifications. New places would include 1,000 childcare places up to FETAC level, literacy/numeracy tutors and youth sports programme coaches. Cost: 10,000 places at €168 million.
- Investing in state infrastructure and initiating a ‘National Development Scheme’ to employ people (particularly unemployed construction workers) directly by the state on public works projects. These should be aimed at redressing our infrastructure deficit (helping improve our competitiveness) and in conservation work to upgrade our tourism infrastructure. Cost: 2,000 workers at approx €100 million.
- Including a social clause in all local authority and public sector construction, service and procurement contracts requiring the hiring of a set number of apprentices and young unemployed (similar to the criteria introduced by the Minister for Regional Development Conor Murphy MLA in the Six Counties).

- Initiating a 'Front line services aides scheme,' whereby young people would be employed directly by the state to take on specific work from overworked frontline workers (for example, civilianising non-nursing duties by the creation of nursing aide positions and civilianising administrative work that is currently done by Gardaí and teachers' aides). Cost: 2,000 positions at approx €48 million
- Seeking to establish a public sector internship exchange programme with other EU states to allow unemployed young people to improve their language skills in the workplace.

## **Making self-employment a real option for the young unemployed**

The young unemployed want to take control of their own destiny. By following their passions, utilising the skills they have acquired and turning them into an enterprise, the future is in their hands. With only 1.3% (or 2,700 people) of those between the age of 15 and 24 who are in employment being registered as self-employed, it is clearly not an option that young people feel is open to them. Government must ensure that self-employment is made a real option for the young unemployed. Young people should also be encouraged to use enterprising ideas for social and environmental change, and the development of social enterprises needs to be supported. A target of getting 6,000 more young people to start a new business or become self-employed over the next 12 months needs to be set. To do this we propose the following:

- In order to ensure a culture of innovation in the workforce, the secondary education system needs to put far more focus on encouraging creativity, investigation and 'thinking outside of the box'.
- In order to encourage young people to become entrepreneurs, introduce improved social insurance safety nets for those who choose self-employment in the event of their business venture not working out.
- Establish dedicated business and science parks in each county, linked to universities and ITs, which would offer onsite enterprise agency and banking support and access to university partnerships. There are some parks that fit these criteria, but they must become the benchmark. Too often enterprise agencies see enterprise parks as merely a property relationship of landlord and tenant rather than as an economic entity with a much wider potential.
- Make running a business easier through the establishment either by the state or by co-operation between enterprises

(for example on a regional basis) of a firm or co-op to provide tax preparation, payroll and legal services, accounting, preparation of business proposals for requests for capital and regulatory compliance services for a fee – thus reducing costs for small and start-up businesses and making it easier for them to focus on their product.

- Ensure that start-up enterprises can access credit. Establish a state bank that would have business credit as one of its remits, similar to the functions of the ICC, which actually returned profits to the Exchequer before it was privatised.
- Engage local business networks to help youth businesses by transferring their knowledge, experience and contacts. They can do this by mentoring, including them in their networks, bringing the youth businesses into their supply chains or providing pro-bono advice and training.
- Double the target for supporting High Potential Start-ups (HPSUs) from 200 to 400 by the end of 2010.
- Launch a national entrepreneurship programme with incubation centres around the country. Cost: approx €25 million.

## **Co-operatives facilitating community-led solutions to unemployment**

Co-operatives have a long tradition in the agri-food sector in Ireland, where some businesses that started out as local co-ops have gone on to be multinationals and market leaders such as in the area of dairy products. The co-operative movement has played a central role in the economic development of rural Ireland.

While co-operatives were largely confined to the agri-food sector in the past, the future for co-operatives will be much more diverse – with the potential to create jobs in food and drink, tourism, forestry, renewable energy and creative industries.

Government needs to support co-operative enterprise, from start-ups to employee buyouts, as an effective, locally-owned and democratically-controlled sector of the economy.

Co-operative enterprise has many benefits for businesses, employees and communities. These include increased productivity and innovation, rooting of businesses within their communities, spreading the benefits more widely and active citizenship and skills development. Where a business is heading for liquidation, an employee buyout may be the only way of saving the business and saving jobs.

The development of a new-generation of co-operatives must play a role in creating new jobs, particularly for the young unemployed. In the current economic climate, establishing a co-operative may be the most viable option for starting a new business. Government policy needs to reflect this.

- A co-operatives development section should be established within the Department of Enterprise, Trade and Employment.
- FÁS, possibly in conjunction with the Centre for Co-operative Studies at University College Cork, should provide specific training courses for those wanting to establish co-operatives.

## **(5) 'Just do it' - grasping the potential of a changing economy**

There are sectors in the economy that we can look to with optimism – sectors where we enjoy a natural advantage (such as agri-food and tourism), sectors where we have begun to build on an emerging international reputation (IT) and sectors whose potential has not been tapped (green technologies). To be effective, enterprise development and job creation strategies need to target niche sectors where the potential for growth exists. Below, we set out examples of what could be done to develop niche sectors to provide jobs for the young unemployed. Young people are the most adaptable to a changing economy, the most able to learn new skills and tend to be more familiar with emerging technologies. Therefore, of all unemployed workers, they are best placed to grasp the opportunities presented by the potential growth sectors in the economy. In order to grasp these opportunities we need to get the enterprise agencies working better to support businesses.

### **The IT sector: Animation, gaming and digital media**

Ireland has the potential to be a digital media leader. It is recognised that Irish digital media firms are becoming a global force in particular niches such as mobile technologies, animation and digital video, film and television. Testimony to Irish achievement is the fact that this year, two Irish animated films were nominated for Academy Awards. Both animation and gaming are examples of where the creative industries can make a significant contribution to economic activity.

- Address the skills shortage identified by the sector, including a shortage of graduates with technical skills as well as with sales and marketing skills.
- Put resources into developing the highest levels possible of broadband connectivity.
- Provide start-up funding and premises to digital media start-up companies.
- Promote and support web entrepreneurship.

## **Agri-food: A New Generation of Farmers and Producers**

The agri-food sector has the potential to provide many more jobs than it does at present. Ireland needs to build on its clean green image. We need to increase our exports and reduce the amount of agri-food products that we import by supporting Irish producers. Government policy needs to make farming and agri-food production a viable career option for young people. Innovation, networking and co-operative forms of development are all key to the growth of the sector.

- Lift the suspension on the early farm retirement scheme to make farming an option for younger people. Cost: no more than €10 million.
- Make it easier for those from a non-farming background to become involved in the sector. To do this, the state needs to take a role in land management and use. A land commission should be re-established. Within its remit would be ensuring that use is made of vacant land and that those wishing to get into food production and organics are facilitated in doing so.
- Fund and support central production hubs for SMEs involved in the agri-food sector, so that they have access to advice, support and most importantly infrastructure and equipment perhaps not available to early stage start-ups.
- In order to ensure that more people purchase more products of genuine Irish origin, address the issue of food labelling as set out in the Oireachtas report on Creating Jobs in the Agri-Food sector to make it easy for consumers to support Irish producers and to buy Irish.
- The development of a new generation of co-operatives (as outlined in the earlier section), particularly for organic foodstuffs, must play a role in creating new jobs in the agri-food sector.

## **Tourism: Transforming recreational and leisure amenities**

The tourism sector needs to adapt. It needs to capture new markets. Ireland needs to become a leader in eco tourism. A specific focus needs to be put on increasing the amount of money that tourists spend on attractions and entertainment by improving and increasing such amenities. Young people can play a key role in doing this and in making Ireland a more appealing destination for young tourists from home and abroad.

- Implement steps to make Ireland the top destination for those who want a clean green tourist destination in Europe.
- Develop and do more to sell Ireland as a surfing destination.
- Develop amenities for those interested in adventure sports.
- Focus on promoting cultural tourism by targeting visitors from Europe to come to Ireland to learn traditional music, thus providing employment directly for musicians and music teachers. In conjunction with this, develop a 'traditional music pub' quality mark/award which symbolises that the pub has high quality traditional Irish music played there.
- Take some of the empty NAMA buildings and convert them to schools for the arts. Give young bands, musicians and writers a chance to work at what they want – let them learn the trades of sound production, mixing, editing and publishing and put Ireland on the map as the arts capital of Europe.
- Provide short-term employment for unemployed construction workers on CE schemes to remove unfinished estates/foundations that were never progressed and other post-boom eyesores which make an otherwise scenic area unappealing to tourists.
- Develop one museum in Dublin specifically dedicated to 1916 and the struggle for independence (to include interactive elements). Ensure the full preservation of 16 Moore Street and adjoining buildings (14-17), including any and all contents and fittings that date back to 1916, and their conversion to a museum and cultural centre honouring the men and women of 1916. Designate Moore Street, O'Rahilly Parade, Moore Lane, Henry Place and O'Connell Street, including the GPO, as an historic quarter and national monument of our capital city and develop it for cultural and educational use, with appropriate commercial and residential aspects in keeping with its heritage.
- Provide amenities for children including the development of a major interactive museum aimed at children (either in Dublin or Cork) and initiate a major annual children's book festival.

## **Green Jobs: The potential of the environmental goods and services sector**

Excelling in the development of green technologies and tapping into our renewable energy resources are necessary for Ireland to meet our climate change responsibilities, to reduce dependence on imported energy and to ensure future competitiveness. This is an area where the potential exists for establishing new competitive state enterprises.

- Establish, within a calendar year, Eolas Glas Éireann – a new national green technology body for research, promotion and funding of green energy and environmental technologies. Sustainable Energy Ireland would be the key element of this new body and would provide leadership in the sector, working with the Environmental Protection Agency and the Irish Climate Analysis and Research Unit, as well as forming partnerships with the Irish Wind Energy Association, the ESB, Eirgrid and others, to formulate and implement an all-Ireland strategy on green technology use.
- Create a publicly-owned national green tech firm for Ireland that would manage and use the island's energy resources. It would be an energy provider and funder under the auspices of Eolas Glas Éireann, gathering expertise and resources to make Ireland energy independent by 2020. Cost: approx €100 million.
- Initiate a major drive to attract FDI from international firms in the renewable energy sector.

## **Community facilities: young solutions to youth problems**

Despite the prosperity of the Celtic tiger years the state remains deficient in terms of social and community infrastructure.

Youth clubs and cafes, community centres, childcare facilities, health centres and recreational facilities do not exist in many communities. These type of facilities play an important role in community cohesion and in quality of life for people in the community. The absence of them is particularly felt in the current climate as unemployment breeds disillusionment and many young unemployed have nowhere to go. Now is the time to deliver these facilities. Vacant buildings can be transformed as can unused land (including NAMA properties), creating work for unemployed construction workers.

- Under the auspices of local authorities, get young construction workers building youth centres, cafes and recreational facilities in their local areas and get young people working in them. Cost: approx €100 million.

- Develop a youth sports programme to hire unemployed young people, on a specific CE scheme to deliver youth sports programmes in unemployment hotspots.