

Youth Work - A Resource for Recovery



Youth Work Ireland
Be Part of It

Budget Submission 2014

Executive Summary - Invest now in Young People or Pay Later

It is now crystal clear that young people have suffered most from the economic crisis which has been with us since 2008. The limits of austerity are now recognised by many commentators and the direct effects of this approach on young people are undisputed. Any strategy to build a recovery must therefore prioritise the needs of, and issues affecting, young people.

The crisis of youth unemployment is now well acknowledged particularly at European level however there is still no dedicated strategy focussed on this issue in Ireland. Given that the European Commission has laid out a road map for a youth guarantee and member states have been encouraged to use the European Social Fund for this purpose it should be a priority now for Ireland to develop concrete plans in this area. Emigration similarly dampens unemployment figures particularly for young people.

The budgetary situation is not necessarily as difficult as in previous years but other commitments mean that even should Ireland “exit the bailout” continued tight budgets are still forecasted. Unfortunately medium term budgetary plans also forecast high levels of unemployment and emigration.

Given the continued economic problems it is even more important that there is a space and a place for young people in local communities. Youth Work Services and disadvantaged youth projects have been subjected to cuts of six times the rate of cutbacks in government expenditure. Given this and the slight abatement in the public finances with the recent deal on the promissory notes there should be no cuts in this area this year.

Ireland’s response to youth unemployment has involved a revamping of public employment services but there are still capacity issues in the system. The network of Youth Information Centres already developed to support young people’s labour market needs can play a role here. We believe that there has not been enough consultation or discussion with the beneficiaries of the lottery about the radical plans for change. The expected windfall from Lottery privatisation should be invested in beneficiaries and a set % needs to be agreed for good causes.

The following are key recommendations to ensure young people are centre to Ireland’s recovery and the burden which has been imposed on them;

1. Cease all Cuts to Youth and Children’s Services
2. Utilise ring fenced resources from the sale of the lottery to reverse cuts to lottery financed projects and improve capital funding for same
3. Implement the Youth Guarantee in Full
4. Ensure Youth Services are Involved in the Administration and Delivery of the Youth Guarantee
5. Develop dedicated Youth Employment Services based on the Youth Work Ireland Pathways ESF Community Initiative, particularly focussed on skills shortages
6. Utilise the network of DCYA supported Youth Information Centres for employment services and other supports to youth employment and the Youth Guarantee
7. End the admission of children to adult psychiatric facilities and invest in Community Mental health Teams
8. Support the work of local youth services with young people on road safety
9. Introduce minimum pricing for alcohol to prevent widespread below cost selling of alcohol by supermarkets and off licences as recommended in the National Substance Misuse Policy

Introduction

It is now beyond doubt and widely accepted that the current unprecedented economic crisis is impacting differentially on our country. Recent reports by both the ESRI and the National Economic and Social Council have highlighted this. Furthermore the impact on young people in particular has been nothing short of cataclysmic. Yet over 5 years since the collapse of the world financial system there has not been one single dedicated measure from Government aimed at even partially relieving in a dedicated way the situation for young people in Ireland. NESC have expressed the situation at its most basic;

“Young people are experiencing high levels of unemployment, with many of them now long-term unemployed. Unemployment among young people is particularly detrimental to the young people themselves and to wider society, and often has long-term consequences.”¹

Young people also suffer in being children of workless households and where parents have suffered a job loss or a reduction in income. The presence of children leads to an increased risk in the transmission of poverty. The ESRI has focussed on those under and over 45 in its analysis but the implications are similar. The decreases in income for the under 45s both include those in younger years who have no work and the teenage children of those in negative equity and those who have lost jobs and/or income²

The importance of maintaining the situation of children and young people has been emphasised in commentary;

“NESC (and NESF) have argued that children should receive priority in social policy because of the later problems that result from a poor start in life for both individuals and society. Adhering to such a precept accepts that parental circumstances should not be the cause of any child being denied access to key developmental opportunities, so that while all children are supported, some are supported more than others based on need”³

Planning for the Future

Despite some public and political commentary about “exiting the bailout” and “regaining sovereignty” official forecasts and the EU Fiscal Stability Treaty (The Fiscal Responsibility Act in Ireland) generally entail successive tight budgets in forthcoming years unless there is a return to sustained economic growth. Furthermore the Governments own predictions allowing for factored in unavoidable increases in social welfare and education suggest that other areas of public expenditure may have to decrease even further to meet targets beyond the bail out.

Similarly these projections are based upon unemployment remaining well above the EU average for many years to come. It appears that austerity is now hardwired in to our economic planning for the

¹ The Social Dimensions of the Crisis: The Evidence and its Implications, NESC Dublin 2013

² Research Notes *Younger and older households in the crisis* Petra Gerlach-Kristen ESRI, Dublin 2014

³ NESC *ibid*

medium term. Internationally the impact of major curtailments of public spending and the austerity approach to the current crisis is being more widely recognised particularly by the IMF and senior figures in the EU. We also need to recognise there can be no economic recovery without demographic recovery. Large numbers of our best educated and most talented young people are leaving the country and this creates a major economic drain on Ireland and hampers the ability of the economy to recover. We still have significant skills shortages in a number of areas despite high unemployment and youth unemployment⁴ The fact that Ireland is now reported to be officially back in to recession shows the outcome of failing to effectively deal with these issues.

While the Governments Stability Programme Update this year assumes the benefits accruing from restructuring of the promissory notes will go towards debt reduction this is clearly only a technical assumption for the sake of projections and the final decision is clearly a political one. It is critical that some of these savings are utilised in the here and now and particularly to the advantage of those who have suffered most in the recession to date

The balance between taxation and expenditure cuts needs to change. There are a number of tax reliefs still present in the system which has been costed at over €10bn by some economists⁵. Changes to even a selection of some of these could raise considerable income to abate some of the worst effects of the adjustment on the most disadvantaged. Similarly the Commission on Taxation has identified 131 tax breaks that need attention and could save the exchequer considerable funding. Profitable companies have not been required to pay in any way towards the costs of recovery even though many benefit from very low taxation agreements indeed. In fact it has been estimated that a large number of multinational companies pay significantly less than the headline 12.5% corporation tax rate. A corporate levy on profitable companies would balance this situation.

Thus with a reasonable application of the promissory note savings in 2014 we believe that the overall adjustment needed should be 2.6bn and not the 3.1 originally envisaged. An even split of this between revenue and expenditure would leave a spending target of 1.3 with would suggest 1.1bn coming from current expenditure. This is €800m less than the NPU projections. We further suggest the extra revenue targets could be met from the areas suggested above. These figures mean that no further cuts would be necessary in the area of frontline services in children and youth affairs. This would be particularly apposite in the field of disadvantaged youth projects which have been cut by six times the rate of Government expenditure since the start of the crisis.

Youth Unemployment

It is important to look briefly at some of the data impacting on the lives of young people at the moment. Clearly the number one concern for young people is the economic situation and the knock on effect on employment and education. While there has been some minor improvements in the field of youth unemployment recently the figures still remain stark and are undoubtedly “improved” by huge increases in emigration.

It is important also to note that the increase in emigration is generally forced emigration, the return of high rates of emigration is a major drag on economic recovery. Few economies recover when losing the most productive part of their workforce. Furthermore the economic investment in these young people’s education is lost to the Irish economy and serves to assist our competitors.

⁴ See successive reports of the Expert Group on Future Skills Needs

⁵ Collins, M.L. and M. Walsh (2011), ‘Tax Expenditures: Revenue and Information Forgone – the experience of Ireland’ *Trinity Economics Papers Working Paper 1211*. Dublin, Trinity College Dublin

Young Peoples Employment and Unemployment				
<i>Year</i>	<i>NQH Survey</i>	<i>% LF Rate</i>	<i>Live Register</i>	<i>% LF Rate</i>
2007	31.1	8.5	30.8	8.4
2008	52.4	16	40.8	12.5
2009	74.6	25.6	79.3	27.2
2010	72.5	28.8	85	33.8
2011	67.7	29.1	81.4	35
2012	59	27.6	73	34.1

CSO NQHS (Q4), Live Register (March)

Male Youth Unemployment		
<i>Year</i>	<i>NQH Survey</i>	<i>% LF Rate</i>
2007	18.6	9.6
2008	34.8	20.4
2009	50.1	33.4
2010	43.5	34.4
2011	42.8	34.9
2012	36.8	33.3

CSO NQHS

While some minor improvements can be observed recently it should also be noted that the NQHS illustrates some people are leaving and becoming detached from the labour force which is effectively another form of unemployment. This masks the true rate of unemployment observed. Also the impact of the recession and construction on young males is clear; they experience the highest rates of unemployment, with over a third of those in the Labour Force being out of work. These rates shot up at the end of the boom. Of course the other major masking of unemployment numbers is emigration. Over 140,000 young people have left Ireland since the start of the recession and the large increase in the figures suggests a large “forced” component.

Emigration amongst Young People	
<i>Year</i>	<i>Emigration 15-24</i>
2006	15.9
2007	18.2
2008	17.8
2009	27.9
2010	26.7
2011	35.4
2012	35.8

CSO, Census and Annual Population and Migration Estimates

Some of the changes in labour market status are related to an increased take up of education and training places. While the recession is an immensely difficult time for young people the large numbers seeking education and training and indeed the large number emigrating illustrates young people are trying to deal with the crisis any way they can. These figures give lie to the suggestion of a workshy age group. The key capacity constraints are illustrated by the figures and reports by various education bodies and professionals like the IVEA and CAO of several thousand young people being turned away from chosen courses. This is an obvious area of attention for any strategy for recovery.

There is now a growing problem of long term unemployment amongst young people in Ireland and a preventative approach is much needed in employment policy towards young people. In quarter four of 2012 over half of male youth unemployment was long term. There is currently no dedicated youth employment policy in Ireland. The worst youth unemployment rates are not surprisingly concentrated in those with the lowest educational attainment and this has a spatial dimension with counties such as Limerick City, Donegal and Wexford fairsing particularly badly while areas like Dun Laoghaire have much better rates⁶.

Youth unemployment is a particularly serious issue as it forms labour market habits and experiences early and has been shown to have serious long term affects. Younger people may often lack the social networks and connections to assist in the job search process. The research confirms what is known anecdotally that youth unemployment must be high on any government’s agenda. Ironically at a time of youth unemployment and emigration Ireland is also experiencing a skills shortage that a concentrated effort relating to young people and the labour market could address particularly in the areas of I.T., sciences and languages.⁷

A Youth Guarantee

The commitment at European level to the concept of a “Youth Guarantee” will have to be translated in to reality. The European Social Fund is a major tool for doing this. While it is quite difficult we have made some very broad estimates about what a Youth Guarantee would entail and what level of provision would need to be delivered in Ireland for it to become a reality. The results illustrate a very major challenge for Ireland in this area.

Young Peoples Education and Training 18-25	
<i>Demand</i>	
Leaving Cert	57,837
Early School Leavers	7,000
Live Register	60,000
Total	125,337
<i>Options for Young People</i>	
FAS	22,000
FETAC	20,000
IT	18,719
University	22,030
Other	10,000
Less mature and international	-10,000
Total	82,749
Youth Guarantee?	42,588

Source: Fas, Department of Education, CSO

⁶ ESRI ibid

⁷ See for example <http://www.djei.ie/labour/workpermits/highlyskilledoccupationslist.htm>

Clearly a renewed commitment to young people and youth unemployment in the field of education and training related to the Youth Guarantee should be a cornerstone of Irelands approach to the structural funds and the European Social Fund in particular

It is clear that all EU Institutions are committed to utilising the ESF to support a Youth Guarantee;

“The Commission is ready and willing to make available substantial financial contributions from the European Social Fund and other EU structural funds. At the same time, the Commission confirmed in the 2013 Annual Growth Survey adopted in late 2012 that Youth Guarantee schemes are key measures that should be prioritised within growth-friendly fiscal consolidation. For the Commission, investment in Youth Guarantee schemes is crucial expenditure if the EU wants to preserve its future growth potential.”

(Commission Press Release 28.02.2013 Reference: MEMO/13/152)

There is a general move up the institutional ladder in terms of education and training with many institutions seeking university status and offering more degree programmes. There is a critical need to maintain provision for more disadvantaged young people in the vocational space but to also ensure such provision is labour market relevant. Support for youth entrepreneurship is an area that needs to be prioritised particularly in new technologies and industries.

Youth Services

We all know times are hard but Disadvantaged Youth Projects are being cut at nearly 6 times the rate of public expenditure. We find this unacceptable. Such cuts now need to be halted as disadvantaged youth projects have contributed way more to recent adjustments than other areas of public expenditure without any policy basis, contrary to Government policy. Particularly many of the VfM tests outlined in the Department of Public Expenditure and Reforms Comprehensive Review of Expenditure have not been carried out.

	<i>Government Current Expenditure</i>				
	€bn	% decrease		€m YW	YW % decrease
2008	53.4			68.4	
2009	55.7	+4.31%		65.5	4.3%
2010	54.2	2.69%		63.3	3.3%
2011	52.9	2.40%		60.1	5%
2012	52.3	1.13%		56.8	5.6%
2013	51.1	2.29%		51.1*	10%
Total	-2.3bn	-4.3%		-17.3m	-25.3%

Source: Department of Public Expenditure and Reform, CRE & DPER Book of Estimates

* Estimate – DCYA no longer publishes this figure

All public services have been subjected to across the board cuts since 2008. The Government has never explained why the limited resources which support youth work programmes have been subjected to cuts six times that of the average particularly when the national lottery part funds these budget sub heads.

The continuing cuts exceeding general reductions in spending are making many local services for young people untenable. Already projects have closed and it is becoming increasingly difficult to meet basic standards of operation. Ironically this is all at a time when the Government is imposing greater requirements and duties on NGOs in the field of Child protection and other areas. This appears to be a classic mismatch between the left and the right hand. The Governments commitments to essentially remove large swathes of public spending from possible cuts means other areas much take a much greater hit, this is fundamentally unfair.

However we also see the tremendous benefit and impact of local youth services for our communities. Even using a basic calculation of the impact of voluntary work and the savings to the state we estimate the value of youth work to be in the region of €1.5bn and a recent report by Indecon Economic Consultants for the National Youth Council has found a significant economic impact from youth work in Ireland.

Youth Services in Ireland are co-financed by the National Lottery, the contract between lottery players and good causes must remain. If the exchequer is cutting matching funds by greater amounts then such a contract is threatened.

Year	2008	2013	%
<i>Youth Affairs Funding</i>	68.4	51.1*	25.3
<i>National Lottery Income</i>	267.8	220	17.8

Revised Estimates of Public Services & National Lottery * estimate

There has been an amalgamation of subheads recently which unfortunately makes further year on year comparisons impossible. However the figures from the relevant books of estimates still suggest that the exchequer component of national lottery co-financed expenditure is being cut to a greater degree than the decline in national lottery income.

Year	2009	2010	2011	2012	Cumulative %
Total	435.387	410.685	365.58	333	28%
Lottery	275	250	230	220	20%
Exchequer	160.387	160.685	135.58	110	31%

Revised Estimates of Public

Overall we can see that the Government has cut the exchequer contribution to lottery supported programmes by more than the decline in the lottery income, no explanation has ever being provided for this.

The Government has announced its intention to sell the licence for the National Lottery for the next 20 years. There has been no discussion or consultation with beneficiaries about this decision. It has further been announced that much of the proceeds of the sale will be used for the new National Children's Hospital even though the original National Lottery legislation sets out entirely different priorities for any funds raised. The Government had previously stated that it would ring fence the amount made available for good causes for the term of the licence at 30.5% based on 2011 figures, this idea was not discussed or shared with lottery beneficiaries. The concept has not made its way in to the legislation on the lottery however.

We believe that the amount for good causes should be set at a higher amount and this should be a key deliverable for any franchisee. Also 20% of any windfall arising from the sale of the lottery licence should be ring fenced for the good causes the lottery supports. This should be in a dedicated fund which will help these key areas salvage their services from the higher than average cuts they have been subjected to in recent years.

Youth Work a Resource for Recovery

The overall expenditure on youth work programmes in Ireland is modest, in fact in the overall scheme of things expenditure of €50m or so pales in to insignificance compared to some €43bn spent by Departments such as Social Protection, Education and Justice. We have set out what we believe to be the economic impact of youth work previously but there are other considerations in protecting this spending at this crucial time. Now it is time to see, consistent with a renewed focus on public sector reform, whether a broader examination of public expenditure in relation children and young people can create greater synergies and focus.

We have also illustrated previously how young people are most impacted by the current crisis. However at the same time this group can be central to any recovery. A number of Government Departments and policy makers are seeking ways to work with young people in a whole range of areas. These cover a host of issues such as mental health, obesity, offending, drug use, early school leaving, social exclusion, health promotion, civil and political engagement and many more. These and other matters cross a number of departmental and agency boundaries and the record of the public service in Ireland is not good in this regard. The need for more and better “joined up” Government is clear but is rarely evident on the ground.

Youth Work Ireland operates an Integrated Youth Service Model. This enables locally based youth services deliver a “joined up” service to young people in an area regardless of the funding or policy requirements. These requirements are handled as part of the management of the service in the “back office” while the service is integrated in terms of frontline delivery. Young people themselves are not aware and generally need not be aware whether they are subject to a HSE funded health promotion initiative, an IYJS supported offending reduction programme or a universal drop in centre or Youth Café. The youth service can thus support a diverse range of provision for all young people in an area. This is a ready-made delivery mechanism for policy makers who are concerned about working with young people in a joined up fashion

Youth Information, Young People and the Labour Market

While today's recession is one of the worst seen in modern times it is not the first and previous initiatives to deal with issues like youth unemployment. The network of Youth Information Centres in Ireland and throughout Europe was developed in the past by the EU and its member states recognising the importance of such centres in connecting young people to the labour market. Specialised youth information emerged rather quickly, starting in the late 1950s, when information offices for internal migrants opened in Finland to support young people who moved from the countryside to the big cities. Already then the underlying idea of youth information was to give orientation to young people when they are faced with complex surroundings and questions particularly relating to education, training and the labour market.

In 1961 the need for specific provisions for young people in problem situations inspired the “Young People’s Consultation Centre” in London was recognised. Probably the first ‘walk-in’ centre for young people in Europe, where young people could directly approach a professional with their issues. It was critical to not give adolescents the feeling of being thought of as having a mental illness when seeking for help. Hence, the centre was designed in a way that young people would feel as little inhibition as possible to enter and receive immediate attention and help in order to prevent serious social and psychological harm in later stages of their lives.

The development of Youth Information Centres in Ireland has been closely related to the labour market needs of young people and these are often the main accessible and free service to assist young people in their labour market activity for example in CV preparation, letter writing, job search and interview preparation.

The Department of Social Protection’s activation policy has recently being outlined in Pathways to Work. The objective of policy is to ensure that as many as possible of the job opportunities that arise in the economy are taken up by unemployed welfare recipients. ‘Pathways to Work’ is based on five strands;

1. More regular and on-going engagement with the unemployed
2. Greater targeting of activation places and opportunities
3. Incentivising the take-up of opportunities
4. Incentivising employers to provide more jobs for people who are unemployed
5. Reforming institutions to deliver better services to the unemployed

There is no dedicated youth strand or measure within the policy which is somewhat surprising given the high levels of youth unemployment. However youth work and youth services can play a role in this field. Already local youth services can and do support employment preparation and labour market activities in a whole host of areas. With a proper dedicated support under the proposed youth guarantee such a service could be properly established and linked to the Department of Social Protection in an agreed fashion. Such an initiative needs to avoid the mistakes made by Connexions in the UK and utilise the important soft skills and relationships evident in youth work consistent with the Dublin declaration of the European Expert Roundtable on Youth Work and Employment in June 2013.

Under the previous EU Employment Initiative YOUTHSTART Youth Work Ireland (then the National Youth Federation) ran a programme also called Pathways which concentrated on supporting the labour market journey of young people. The lessons of this initiative can still be harnessed today in a new setting.

The National Lottery

The National Lottery is there to support good causes such as the arts and youth work. The entire logic of establishing the fund was to support things which were not being supported out of Government coffers. Lotto players would think that their money goes straight to those good causes; however this is often not the case. Several areas supported by the Lottery as we have seen have been subjected to drastic cuts of about 25%. We know that several disadvantaged communities will suffer due to swinging cuts to the youth projects around the country, many in very disadvantaged communities

Any changes to the lottery need to be carefully examined and be consistent with the principles under which it has operated since its foundation. If the Government can generate a windfall through privatisation that is a matter for consideration but the areas that benefit from the lottery must also benefit from such a development. It is hard to see the logic of putting all the benefits from a privati-

sation in to one single project no matter how worthy, while other areas supported by the lottery down the years are closing important front line services around the country. While there may be commercially sensitive elements to such negotiations the voluntary and community sector who depend so much on lottery funding need to be consulted on whatever arrangements might emerge

Mental Health

Ireland's National Children's Strategy commits the state to support children's mental health and emotional well-being. Under the "Vision for Change" mental health strategy a key cornerstone of this is the development of Community Mental Health Teams. Although some additional support has been forthcoming for this work it is falling behind target with long waiting lists and waiting times. Clearly with an epidemic of youth suicide in Ireland a proper mental health infrastructure for young people is a must. The admission of children and young people to adult psychiatric facilities is also a blot on our mental health system for young people.

Year in year out we hear terrible news concerning road deaths of young people. While this is a complex problem there is a definite need for much greater work on safety for young drivers. Many youth services and schools already provide these in a non-formal way. There would be a dividend in mainstreaming these efforts.

One of the main contributors to mental health problems for young people is Ireland's continuing alcohol problem. The Government has had the findings of its National Substance Misuse Policy for a considerable period now and needs to act on it.