



NYCI Pre-Budget Submission 2010

“Threatening Our Future”

Comhairle Náisiúnta na nÓg
National Youth Council of Ireland

3 Montague Street
Dublin 2

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Economic Context

Ireland is in a recession of enormous proportions. Soaring unemployment rates and crippling increases in income tax is placing a great burden on many people, particularly those on low and middle incomes. According to the ESRI's Spring Quarterly Economic Commentary the rate of job losses in the first three months of this year exceeded all expectations, with 80,000 joining the Live Register between January and March. The ESRI Spring Research Bulletin predicts a dismal outlook. In 2009 the ESRI expects employment to be 187,300 lower than in 2008, on an annual average basis. Corresponding to this fall in employment, the number unemployed is expected to average 292,200 in 2009, an increase of 155,500 on the 2008 figure (or 114 per cent). These figures suggest that the unemployment rate would average 13.2% in 2009 and a further fall in the employment rate in 2010 amounting to 102,800. The ESRI predict unemployment will rise by a further 73,300 and the average rate of unemployment to be 16.8% in 2010 (ESRI, 2009: 1).

Young people and particularly those leaving school or the education system with poor qualifications or redundant skills are in the most precarious position. In a recent ESRI publication by *Byrne, D & McCoy, S* entitled *School Leavers: How Are They Faring?* the link between those leaving school without a qualification and poor labour market status was affirmed. The report documented recent evidence from the School Leavers' Survey which suggests that young people who enter the labour market after leaving school are likely to be particularly vulnerable in the current economic climate (ESRI *Research Bulletin* 2009/1/2: 1).

In the past 2 years the numbers of young people that are unemployed under the age of 25 has soared by 173% (Quarterly Household Survey, July 2009 Central Statistics Office) and Ireland has the 2nd highest level of unemployment among young men (18-24) in Western Europe at 26.5%. (Eurostat News Release on Youth Unemployment July 23rd 2009). **In light of these alarming statistics education and training is vital.** Byrne and McCoy contend that "adequate preparation in terms of educational and vocational qualifications will be more important than ever in ensuring young adults are equipped to take advantage of a shrinking pool of job opportunities". (ESRI *Research Bulletin* 2009/1/2: 2).

Reminiscent of the 1980's, Ireland is once again likely to lose many of its young people who will be forced to emigrate in search of work. In the midst of a global recession, however, there are few places to flee to in search of employment.

The Impact

NYCI acknowledges the serious situation which has arisen in relation to the deficit in the public exchequer and is primarily concerned about the **implications such economic recession will have on youth work funding and services**. Many of these youth work services are well placed to support the most vulnerable young people throughout the current recession. However if the services in the non-formal education sector are undermined and diminished through cutbacks, we are likely to further marginalise young people who are already far away from formal education and labour market.

The decline in public finances has deteriorated rapidly and substantially over the last 12 months. At the forefront of our minds is the importance of preserving necessary social services and supports for all children and young people especially those living in low income households or who are most vulnerable to poverty and social exclusion.

We recognise the need to make adjustments to public spending and to broaden the tax base to redress the current exchequer deficit. To ensure economic recovery **children and young people should not be disproportionately affected by the cuts**.

NYCI has consistently advocated that children and young people should be protected from the financial cuts in the exchequer as far as possible. Unless that is done, the Government **will be threatening the future prospects of many young people** which could undermine their life chances for decades to come.

This submission

The areas of particular concern to NYCI are cuts relating to the education, social welfare and health sectors, however, we are also concerned about a broad range of reductions in funding allocations to other government agencies responsible for delivering services to children and young people.

Recognising the need to highlight areas of service provision most in need of public expenditure, our Pre-Budget submission has outlined 4 priority areas in need of sustained public expenditure.

Of particular concern to NYCI is the need to ensure sustained investment in the following areas to ensure that we continue to address and improve the well being and lives of children and young people in 2009:

1. Youth Work Funding
2. Part-time Fees
3. Youth Unemployment
4. Mental Health

Budget 2010: NYCI Submission

Summary of Recommendations

In this submission, NYCI outline what we believe to be priorities for Government action and spending:

1. Youth Work Funding

- Assist the Youth Work sector to support the most vulnerable and marginalised young people through the recession by maintaining funding at existing levels with a small increase of 1.7%

2. Fund Part-time Fees

- Establish a fund to alleviate part-time fees for employees attending public institutions to ensure the provision of education and training for people vulnerable to redundancy.

3. Address Youth Unemployment

- Maintain existing rate of social welfare payments for young people aged 20-24 in receipt of the Job Seekers Allowance.

4. Promote Young People's Positive Mental Health

- Continue to support the implementation of the ASIST¹ programme and roll out of the "Your Mental Health" Campaign directed towards young people.

¹ Applied Suicide Intervention Skills Training

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| Subject | 1. YOUTH WORK FUNDING |
| Proposal | <ul style="list-style-type: none"> • Assist the Youth Work sector to support the most vulnerable and marginalised young people through the recession by maintaining funding at existing levels with an increase of just 1.7% |
| Rationale | <p>Youth Work represents huge value for money and makes a vital contribution to the education of our young people. By giving young people the opportunity to participate in a range of non-formal, but structured activities, Youth Work fosters the social and personal skills that young people need to face key challenges in the transition from childhood to adulthood. More than 55 Youth Organisations operate in Ireland run by a combination of paid staff and volunteer leaders. Currently the ratio is some 1,000 paid staff to 40,000 volunteers.</p> <p>In October 2008 Government cut the main budget line for youth services by 10% from €43.7m in 2008 to €39.33m in 2009. This large cut has had a significant impact on youth work around the country and has led to the closure of a number of projects and the reduction in activities and services to young people. These cuts represent a reduction in supports to some of the most vulnerable young people. In addition to this many youth organisations have endured cuts from other funding sources such as the HSE, Department of Justice, FAS etc. The accumulative impact of these cutbacks has placed additional strain on the resources of organisations and undermined their ability to meet the needs of young people.</p> <p>Many youth organisations have worked very hard to minimise the impact of these cuts on young people participating in their activities and services by trimming programme costs to the bare minimum. The cuts have jeopardised the work of the over 180 projects in the Special Projects for Youth Scheme (SPY) which funds organisations and groups for specific projects which seek to address the needs of young people who are disadvantaged due to a combination of factors e.g., social isolation, substance misuse, homelessness, early school leaving and unemployment. Further cuts in funding in 2010 will lead to the closure of youth projects and initiatives across the country because organisations cannot afford to run projects and do not have the capacity to raise sufficient funds to meet the deficit.</p> <p>It is vital to maintain the infrastructure of youth work and the important progress made in implementing both the Youth Work Act 2001 and the National Youth Work Development Plan. In that context and in light of the massive 10% cut to youth work in 2009 we believe a small increase of 1.7% or about 0.66m should be allocated in 2010.</p> |
| Cost | <p>Marginal increase of just 1.7% €0.66m</p> <p>Total Cost <u>€0.66m</u></p> |
| Responsibility | Office of the Minister for Children and Youth Affairs, Department of Health and Children. |

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| Subject | 2. EDUCATION & TRAINING – PART-TIME FEES |
| Proposal | <ul style="list-style-type: none"> Establish a €20 million Scheme to support those in vulnerable employment to develop skills and training on a part time basis. |
| Rationale | <p>In the current economic climate, there is a need for young people to take charge of their own career. It is vital that we improve, promote and resource a range of education and training opportunities for young people with poor or redundant qualifications and skills. Such measures include second chance learning opportunities, and the provision and promotion of up-skilling and re-skilling opportunities for young workers vulnerable to redundancy and unemployment. The evidence suggests that Government policy² supports workers who already have third level qualifications with tax relief. There is no support for many young people on lower incomes and with limited qualifications to improve their employability. We also believe it is more cost effective to support workers to up skill while they are still in work, than trying to do so when they lose their jobs.</p> <p>The increase in part-time and shorter working hours in the last year presents an opportunity for Government to encourage those in vulnerable employment to use this time to up-skill. The existence of part-time fees means that for many further and higher education is not an option. The cost of financing a part-time course places a considerable burden on a student, many of whom struggle to balance work and family life and in some cases the cost of child-care.</p> <p>“Towards 2016” committed to the “<i>establishment of a fund to abolish part-time fees for students in employment attending public institutions who have never previously pursued third level education</i>” (2006, 82). The current Government also committed in the Programme for Government 2007 – 2012 to introducing “<i>a new system of means-tested free fees for approved part-time courses. Together with incentives for colleges to offer more flexible and diverse course structures, this will enable more people with work or family commitments to avail of opportunities at third level</i>” (2007). To date, however, no progress has been made to progress this commitment.</p> <p>NYCI is calling on Government to honour its commitment in “Towards 2016” and in the current Programme for Government to establish a €20million scheme for free fees for approved part-time courses for employees attending public institutions who have never pursued third level education before.</p> |
| Cost | <p>Establish a €20 million scheme for free fees for approved part-time courses €20m</p> <p>Total Cost €20m</p> |
| Responsibility | Department of Education and Science, and the Department of Enterprise, Trade and Employment. |

² Education at a Glance 2005, OECD.

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| Subject | 3. YOUTH UNEMPLOYMENT |
| Proposal | <ul style="list-style-type: none"> • Maintain supports at existing levels for young people aged 20-24 who are in receipt of Jobseeker’s Allowance. |
| Rationale | <p>There has been a substantial increase in youth unemployment in the last 2 years. The numbers of young people on the live register in the period July 2007 to July 2009 has increased by over 59,000 or by about 173%. The CSO Quarterly Household Survey of July 2009 indicates that the rate of unemployment for 15-19 year olds and 20-24 year olds between Jan-March 2007 and Jan-March 2009 has increased from 12.8% to 25.6% and from 6.7% to 17.8% respectively. A recent EU study³ found that Ireland had the fifth highest level of youth unemployment among young men at 26.5%. These figures are reminiscent of the 1980’s when the country experienced both a brain drain and significant numbers of young people who endured long term employment which left a lasting legacy.</p> <p>In the last few months Government have announced two schemes for graduates and non graduates to avail of (the Work Placement Programme and a pilot Short Time Working Training Programme).⁴ According to Government these programmes are intended to provide unemployed people with an opportunity to “<i>enhance the work experience and training opportunities</i>”. Given the increasing growth in the numbers of young people signing on, however, these provisions are limited and inadequate to meet the demand.</p> <p>We opposed the Government decision to cut benefits for 18 to 19 year olds last May from €204 to €100 per week. We are very concerned that the Government is resorting to short term measures which will cut the immediate deficit, but will cause long term human, social and economic harm. We are also further concerned that the McCarthy Report is now proposing to extend these cuts to young people aged 20-24 years on Jobseeker’s Allowance. The proposal to cut welfare payments by 25% appears to have been made without any analysis of the social impact of such a measure. Rather than cut social welfare to young people aged 20-24, the Government should provide an educational, training and or work placement opportunity to all young people on the Live Register.</p> <p>Recent research conducted by NYCI amongst young people aged 18-25 found that 40% of them were having difficulty meeting their bill payments on a regular basis.⁵ Cutting social welfare payments is going to drive many young people into poverty and cause further social exclusion. As a result there is an increased likelihood of long term unemployment for this generation of young people. To counter this we call on Government to reject these proposals.</p> |
| Cost | Keep Jobseeker’s Allowance for 20-24 year olds at existing levels <u>Cost neutral.</u> |
| Responsibility | Department of Social and Family Affairs. |

³ Eurostat News Release on Youth Unemployment July 23rd 2009

⁴ For further details of the Work Placement Programme and a pilot Short Time Working Training Programme please see <http://www.welfare.ie/EN/Press/PressReleases/2009/Pages/pr270509.aspx>

⁵ The Truth about Youth, NYCI National Survey of 1020 young people, June 2009.

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| Subject | 4. PROMOTE YOUNG PEOPLE'S MENTAL HEALTH | |
| Proposal | <ul style="list-style-type: none"> Support training and awareness raising and provide information for young people in positive mental health and suicide prevention. | |
| Rationale | <p>Provisional data figures indicates that the number of young people under 24 years who died by suicide in Ireland in 2007 was 89. ⁶ While these figures represent a reduction on previous years, we still have the 5th highest rate of Youth Suicide in the E.U. ⁷. Data from an international report⁸ found that young Irish males aged 15-24 years, have more than four times the rate of death by suicide than similar aged young men in England. Furthermore findings of a recent report⁹ on deliberate self harm (DSH) found significant increases of reported episodes of DSH among young boys and girls aged 10-14 of 35% and 19% among young men aged 15-19 between 2007 and 2008. A recent survey of young people aged between 18 and 25 entitled "The Truth About Youth", conducted by NYCI also found that 23% were 'concerned' or 'very concerned' about their own mental health.</p> <p>The publication of "Reach Out" the National Strategy for Action on Suicide Prevention 2005-2014 was an important and welcome development. We acknowledge that the current exchequer situation may not allow funding to be allocated as per the original time-frame; however, it is vital that ongoing training and communications directed at young people should be maintained.</p> <p>The ASIST (Applied Suicide Intervention Skills Training) is a two-day interactive workshop in suicide first-aid. It is targeted at those working in the community who are likely to be engaging with people at risk of suicide, such as health workers, teachers, community workers, Gardai, youth workers, volunteers, people responding to family friends and co-workers. We believe this programme is an inexpensive yet effective way to reach and support young people in the community who are at risk of suicide.</p> <p>We support the development of the "Your Mental Health" campaign which commenced in November 2007. This campaign disseminated information and raised awareness through an information booklet, TV advert, radio advert, outdoor adverts and online activity through www.yourmentalhealth.ie and the Your Mental Health Bebo page. The campaign should be continued in 2010 with a reduced allocation. A further allocation would enable the TV advert which was developed this year to be broadcast in 2010 as well as in the later months of 2009, which represents better value for money given the money invested so far.</p> | |
| Cost | Funding for the ASIST programme Funding for continued "Your Mental Health" Campaign Total | €0.15m €0.35m <u>€0.5m</u> |
| Responsibility | Department of Health and Children | |

⁶ Irish Association of Suicidology, www.ias.ie

⁷ National Office for Suicide Prevention, www.nosp.ie 2008.

⁸ Värnick *et al* (2009) Gender issues in suicide rates, trends and methods among youths aged 15-24 in 15 countries.

⁹ National Registry of Deliberate Self Harm, National Suicide Research Foundation, July 2009.