

# Tomorrows Ireland...Today!

## 2011 Budget Submission



Their Lives, Our Future



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“I intend this as a clear signal that a focus on young people and their needs will be a particular priority for the Government”

An Taoiseach Brian Cowen T.D. May 8 2008 (on his appointment as Taoiseach)

## **Tomorrow’s Ireland...Today!**

It isn’t always easy being young in Ireland today. The economic downturn and the decline in traditional institutions means everybody is worried about the future. It is often said young people are the Ireland of tomorrow, we disagree, young people are the Ireland of today! All around this country by engaging with young people in our communities our workers and volunteers make Ireland a better place for young people to develop as active citizens.

Our work ensures young people choose healthy lifestyles, engage with their communities and develop as well rounded citizens today and for the future. By entrusting young people with leadership roles today we know our country is in safe hands tomorrow.

Ireland needs strong and vibrant local youth services in all our communities. Youth Work Ireland makes a real difference to young people’s lives today and for the future. Young people and youth work need to be supported today if we are to have a tomorrow.

## **Introduction**

Our current economic turmoil has arguably impacted on young people much more than any other group in society. There are currently just under 83,000 young people on the Live Register and it is estimated that approximately one in three young males are currently unemployed. The collapse of construction has hit young people hard in terms of entry level jobs and the apprenticeship route in to trades.

Similarly, and crucially, the education and training system has not succeeded in dealing with what can only be described as a predictable major increase in demand. Young people cannot find a place in education and training at the moment with both the CAO and the PLC sector turning away thousands. This leads inevitably to unemployment and emigration. 28,000 young people left Ireland in the last year according to the CSO.

This upward spiral of youth unemployment and emigration and a failure to plan for the inevitable demand for education and training is truly a shameful condemnation of our country and our economic performance. It is openly admitted that much of the debt incurred today will be with us for generations, in other words young people who had no involvement in causing this crisis will be expected to pay for it.

Jobs and the economy are key concerns for young people. Youth Work Ireland and Voices of Youth (a youth media group we support) carried out a poll of over 1,000 young people in 2009 and the economy and their future was the key concern. Examples of some of the findings were;

- Nearly 60% expect unemployment after education
- 86% did not trust politicians with their future
- 73% did not believe the Government cared about young people and their future

- 80% felt there were less opportunities for young people in terms of education and training (87% less apprenticeships)
- The overwhelming majority cited the leadership skills of Barack Obama as what they were looking for (69%) as opposed to 4.5 and 5.8% for Brian Cowen and Enda Kenny respectively
- Over 79% feel more young politicians would mean more understanding of their issues
- Health was the most important issue to young people

There are no two ways about it, jobs and the economy are the key to young people's future in this country and urgent action is needed to restore faith in young people's very commitment to this state. Action on the macro economy, while important, is not enough without reference to outcomes in terms of jobs and the real economy.

### **Economic Backdrop**

There is broad consensus on the overall national finances in terms of reaching an annual budget deficit of 3% of GDP by 2014 as agreed with the European Commission under the excessive budget deficit arrangement. However there is less agreement on precisely how to do this.

Clearly major cuts in public expenditure coupled with tax increases can have a deflationary effect on the economy and there is evidence to suggest that such a spiral may actually be occurring. There is thus a danger that the medicine might kill the patient.

We believe the real challenge to policy makers and key to young people's future is to provide a jobs and growth stimulus package while still achieving the long term targets on the public finances. It is not our role to provide precise figures on this but we believe drawing on work done already by others there are numerous ways of doing this without damaging the economy further or hurting the least well off. While we do not necessarily endorse all suggestions for revenue generation there are certainly a number to draw on, for example;

- Use of the Pension Reserve Fund for infrastructure
- Restriction of tax reliefs including pensions
- Possible disposal of non essential state assets
- Increased levies on Banks when profitable in the future
- Self Assessed Property taxes and water charges reflecting ability to pay
- A third rate of income tax

While estimates vary measures such as the above could provide anywhere between 5 and 10 billion euro for the public finances. Given the need for a stimulus package for the economy we do not support cuts in the capital budget rather the use of pension reserve funds for the more productive projects which provide a return and contribute to job creation

## Youth Work

Youth Work is defined in the 2001 Youth Work Act as

“a planned programme of education designed for the purpose of aiding and enhancing the personal and social development of young persons through their voluntary participation, and which is complementary to their formal, academic or vocational education and training; and provided primarily by voluntary youth work organisations”

Youth Work Ireland is the largest youth organisation in the country. Through a network of 22 local services we work with over 80,000 young people through hundreds of clubs, projects, drop in centres and local services.

These services are provided through a variety of public and private funds. We provide an integrated service to young people which is joined up from their viewpoint. We see young people as assets and we seek to develop their strengths for their development and the development of local communities. We provide a universal service and also work in some of the most disadvantaged communities in Ireland.

The state plays a key role in supporting youth work in Ireland and it is important to recognise this. We believe however that the state also receives excellent value for money in this investment. For example youth work Ireland has approximately 5,000 volunteers who if remunerated the most basic level would cost about €160m.

The state also wishes to deal with some key social problems in partnership with the youth work sector for example offending behaviour, drug prevention, counselling etc. For this work to be effective there needs to be a basic infrastructure in place in communities to support and integrate this work into young people’s lives in a community setting.

Core funding from the OMCYA for youth work and specific disadvantaged projects for youth has been severely cut in the last few years. This has led to the discontinuation of many services in local communities for young people. Youth work along with other areas is co-financed by the National Lottery, while cuts to frontline services have averaged about 7% year on year since 2008 overall National Lottery income was €18m higher in 2009 than 2007.

It is also important to note the extensive analysis of public service financing carried out by Colm Mc Carthy known as “An Bord Snip” did not recommend any reduction in funding to the youth work sector but drew attention to other areas of OMCYA expenditure.

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 also threatened.

| <b>Year</b>                    | <b>2007</b> | <b>2008</b> | <b>2009</b> | <b>2010</b>   |
|--------------------------------|-------------|-------------|-------------|---------------|
| <i>Youth Affairs Funding</i>   | 42.6        | 43.7        | 39.34       | 38.6          |
| <i>National Lottery Income</i> | 245.5       | 267.8       | 263.5       | Not available |

Revised Estimates of Public Services

We recommend

1. A link between lottery income and youth affairs funding
2. Maintain 2010 levels of funding for 2011. Cutbacks of previous years have led to service cuts. Youth Services have cut salaries, stopped short term programmes, made staff redundant and instituted various other services. More cuts will simply mean the termination of vital services
3. Make unused buildings (owned by the state or state agencies) available to Youth Sector under license for provision of direct services to young people. Use NAMA to provide community and youth facilities
4. Ensure that Youth Services as charities are exempt from Rates as a rule and not just as determined annually by local councils
5. Exempt charities from VAT. Taking money in through VAT to then returning some of that money as grant-in-aid is serving to increase administration.
6. The employment scheme announced by Minister O Cuiv and should be available to youth organisations ensuring that it is a meaningful experience for those who opt to participate

### **The Three Key Issues – Jobs, Jobs and Jobs**

There were 82,922 people under the age of 25 on the Live Register in September 2010. While the figures do vary the general trend in youth unemployment has been upward in the last number of years. For example the figure in September 2008 was 53,700 and in August 2009 reached 95,000. The CSO also reports major flows of young people on to the live register. It is reasonable to suggest based on CSO figures (28,000 young people leaving the country each year) and anecdotal evidence that emigration is also keeping youth unemployment figures down.

Youth unemployment poses particular problems for our economy and society as having unemployment as your first labour market experience is a hugely negative factor in young people's development and future prospects. As many young people may not have developed strong roots in their communities through family or housing they are more likely to emigrate thus providing free educated workers to other competitor countries.

Nobody suggests that jobs can be created out of thin air however the very least the hard-pressed public might expect would be some form of coherent strategy with a dedicated focus on jobs beyond the simple macroeconomic route of spending cuts and bank bail outs. It is also important to recognise that while there is a need for job creation for young people any coherent strategy will be as much about training and education as job creation to ensure young people can stay in Ireland and avail of any economic recovery when it comes.

We recommend that there should be several pillars to a dynamic youth employment strategy such as;

1. **Labour Market Programmes:** During periods of high long term unemployment and even during periods of economic growth employment programmes keep people in touch with the labour market. Given the extreme labour market situation we suggest allowing young people access all labour market programmes regardless of age subject only to interaction with appropriate employment services.

2. We believe the **Student Summer Jobs Scheme** which gave valuable labour market experience to young people and helps the voluntary and community sector should be revived
3. **Reverse the PLC places freeze**, this is a crucial move in the vocational space for those who cannot access third level.
4. **Maintain apprenticeship numbers** as was done with the ESB scheme, local authorities have also become involved here. There is a considerable infrastructure built up around apprenticeships which should not be lost.
5. **Foster and support young entrepreneurs**, we seldom hear about enterprise support for young people despite the fact that several major successful businesses have been created by young people such as Facebook and several technology related products
6. Establish a process to **commercialise young people's ideas** e.g. transition year & young scientist entries
7. Work with young people on new areas of **economic potential in music, arts and technology**
8. Capitalise elements of the **pension reserve fund** on a commercial basis to support job creation for young people – after all it's their future pension!
9. Ensure every young person has an offer of **work, education, training or quality work experience** to prevent the drift into a culture of long term unemployment
10. Develop **work placements and public works** for the most hard to reach
11. Increase places in **Youthreach** Centres to eliminate perceived waiting lists
12. Roll out **Job Fit nationwide** for over 18's, Junior Cert or lower level attained in school and on Live Register
13. Extend entitlement to young people over 18 and under 25 from the **asylum seeking community to vocational training**. If these young people acquire refugee status then they should have skills and training to compete in the jobs market.
14. Commit to a time-frame for **lowering class sizes** in primary and post primary schools

### Safety and Well-being of Young People

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.

Ireland continues to have a major alcohol problem which impacts on our level of underage drinking and associated risky behaviour. There have been numerous reports with countless

recommendations in this area. Of particular interest is the proven link between price and the consumption of alcohol. In times of previous economic crisis excise duties became known as the “old reliables”. However excise duty has hardly been raised at all in the last 10 years and in fact was cut in the last budget. Given the increase in UK V.A.T. rates there are less competitive issues in such a move; We recommend

1. Deliver on the promised Child and Mental Health Teams and establish a clear line of budgetary accountability
2. Support for driver preparation and safety programmes
3. Support for Youth Counselling Services and suicide prevention given the increased needs in an economic crisis
4. Training for teachers in dealing with bullying and disclosures of abuse: young people reporting a poor response in school and teachers saying they are not adequately trained to respond to these situations
5. Resourcing Garda Vetting for Sector: The timeframe for completion of vetting is causing difficulty with risk of potential volunteers losing interest waiting several months for report
6. Increase excise duties on alcohol and tobacco to raise revenue and assist public health

#### Support for Families in Crisis

The economic crisis imposes huge pressures on families and communities. Similarly the dire state of the public finances is leading to the contraction of several social services which are key to the most vulnerable in our society. Financial pressure and poor services have lead to several young people falling through the cracks of our system recently with tragic results; We recommend

- Ensure the HSE provide more appropriate placements for young teenagers in need of out of home care (particularly 14 to 17 year olds)
- Child benefit payments to remain for families with income below average
- Support for homeless Families and Families at risk of becoming homeless: empty housing estates under NAMA to be utilised to reduce housing lists
- Deliver on anti-poverty strategy for poorer communities and resource centres with no services