

# Now, More Than Ever!

## 2012 Budget Submission



Their Lives, Our Future



## Youth Work Ireland

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“The Government is committed to giving any young person the best opportunity available to progress their career in Ireland.”

An Taoiseach Enda Kenny T.D., Wednesday, May 11 Speech to Young Social Innovators

### **Now More Than Ever!**

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.

### **Youth Work Ireland at a Glance**

**21,723** young people in affiliated Youth Clubs,

**25,278** young people on SPY Projects,

**131,113** Youth Information Contacts,

Approximately **10,000** Young People in other projects and centres

**1,969** young people in Justice Projects\*

**995 Staff**

**7,224 Volunteers**

**450 Clubs and Projects**

## **Introduction**

Our current economic turmoil has impacted on young people much more than any other group in society. There are currently just under 78,000 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. While there has been some improvement in these figures it is probably reasonable to assume emigration has played its part here and the annual population and migration estimates by the CSO support this.

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. 33,000 young people left Ireland in the last year according to the CSO. The Government's Jobs Initiative was a welcome development in this area however recent speculation about a cap on third level places is worrying. The commitments in the Jobs Initiative are well below those in the Programme for Government hence we suggest an annual review of the Jobs Initiative with a particular reference to youth unemployment.

This upward spiral of youth unemployment and emigration and a failure to plan for the inevitable demand for education and training is truly a 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 troika of EU, ECB and IMF. However each successive year of consolidation puts more pressure on groups doing frontline work with the most disadvantaged people. There is a need for more imagination and we believe some small and targeted measures could go a long way to protecting some very valuable work.

The recently published Medium Term Fiscal Statement provides a greater level of detail on future plans for taxation and spending. It is disappointing that these forecasts rely on continued emigration and substantial unemployment rather than examining the costs of getting people back to work and living in their own country.

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 remaining Pension Reserve Fund for labour intensive infrastructure projects
- 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
- Franchising out of state services to NGOs including youth services consistent with the Comprehensive Review of Expenditure
- An alcohol levy ring fenced to protect funding for youth work

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

### **Comprehensive Review of Expenditure**

We have already made a submission on the Comprehensive Review of Expenditure to the Department of Children and Youth Affairs. We estimate the economic impact in terms of savings to the exchequer of the work we do to be in the region of €1bn. We have also identified a number of areas where the state can make savings by utilising the reach and resource of community based voluntary youth services.

By maintaining its services Youth Work Ireland can continue to reduce the costs to the state of a failure to invest sufficiently in prevention and early intervention services for young people, especially

young people at risk. As shown above Youth Work Ireland estimates that our work results in €1 billion cost savings to the state by preventing many young people from needing to move on to higher level, more costly state services such as probation, justice, specialist health services etc.

Every youth work intervention also contributes to participants' wellbeing. The gains in improved health and quality of life generate significant economic benefits including public expenditure savings. According to the Irish Sports Council, for every €1 invested in sport there is a potential saving of €3 in health service spending. A recent UK report estimated that every £1 invested in childhood social and emotional programmes had a saving of £83 (Munro 2011<sup>1</sup>).

Youth Work Ireland continually strives to achieve efficiencies, particularly in the current financial and exchequer crisis, by utilising economies of scale in relation to how we deliver our projects with over 80% of project budgets going directly into young people's services. We also achieve ongoing efficiencies by providing integrated services locally that share buildings, costs and overheads across projects as well as with other service providers.

If our services are cut further many young people, especially those at risk will lose out at a time when the need for our services is in fact increasing. Youth Work Ireland has estimated that further reductions could wipe out up to 25% of our already stretched local members. Closure of individual projects that serve adolescents would have serious knock on and long terms effects. This would be reflected in terms of increased early school leaving, increased mental health issues, increased misuse of drugs & alcohol, increased family pressure, increased dependency on the state, greater demand for prison spaces, higher unemployment payments, more children in care and the need for more health care treatment. Added to this the huge experience and institutional knowledge that has been built up by local Youth Work Ireland projects would be lost.

Youth Work Ireland projects also leverage considerable voluntary effort with over 7,000 volunteers currently involved in the provision of Youth Work Ireland's services. Our members invest substantially in the training and development of these volunteers thus increasing their chances of employment and enhancing the contribution they can make to their communities, to the economy and to society throughout their working life and beyond. We estimate that volunteers contribute €6 million in unpaid contributions to youth services in their local area.

Specific areas where Youth Work Ireland believes that it could help save exchequer funding are summarised as follows:

- Operation of the Quality Assurance system for Youth Organisations
- Reduce the current duplication of back office services by transferring the management of independent local youth projects (estimated at 150-200 projects nationally ) as well as those run by non-youth work groups to Youth Work Ireland's Regional Youth Services which have the expertise, experience and a physical presence in the areas concerned with estimated savings of €30,000 per project.

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<sup>1</sup> Munro review of child protection.

- Coordinate and provide the regional training of youth workers and volunteers in child protection etc to other service providers which is currently being offered by a range of organisations with varying programmes and standards.
- Run Comhairle and Dail n'Og thus eliminating the administrative and reporting duplication and the current need for ongoing engagement of Local Authority staff and VEC officers as well as Youth Workers and National Participation Officers.
- Greater sharing of building and facilities locally with statutory funders encouraged to develop arrangements whereby their funded groups share facilities.
- Provide a number of services to young people to support the work of the new National Employment and Entitlement Service (NEES) through utilising Youth Information Centres, Youth Cafes and other centres offering locally-based information and referrals to other parts of the NEES. (Based on ESF returns and the book of estimates we estimate that the total NEES budget including FAS, LES and DSP Employment Supports is about 100m annually. If 15m was contracted out with a 10% reduction in costs an estimated €1.5m could be saved by the state.)
- The Department of Children & Youth Affairs carry out a review of Youth Affairs spend to ensure that all such funding go towards youth work within the meaning of the Act

## 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 come to nearly 20% since 2008 overall National Lottery income in 2010 is not far off that in 2007.

It is also important to note the extensive analysis of public service financing carried out by Colm McCarthy known as “An Bord Snip” did not recommend any reduction in funding to the youth work sector but drew attention to other areas of DCYA expenditure. There is also an imbalance between projects funded in Dublin and outside the capital.

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.

Year	2007	2008	2009	2010	2011
<i>Youth Affairs Funding (excl YPFSF)</i>	42.6	43.7	39.34	38.6	35.8
<i>National Lottery Income</i>	245.5	267.8	263.5	243.7	Not Available

Revised Estimates of Public Services

We recommend

1. A recognition that cuts have run ahead of trends in lottery income
2. Maintain 2011 levels of funding for 2012. 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 the previous Government 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 just under 78,000 people under the age of 25 on the Live Register in October 2011. 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 (33,000 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.

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

## **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

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

## **Young People and Irelands Alcohol Crisis**

We often hear there is an underage drinking crisis in Ireland. However what is really the case is we have a societal drinking problem which manifests itself in the underage drinking of young people. Recent research (Hope 2011) has shown that all age groups indulge in harmful drinking thus

illustrating the need for a society wide approach to alcohol harm and public health if we are to have an impact on this critical problem.

Successive reports by the WHO all indicate what works in terms of evidence relating to alcohol consumption and harm. These measures broadly fall in to three areas, price, availability and promotion. Indeed the Minister of State for Health Promotion put it well recently;

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 2010. Given the increase in UK V.A.T. rates there are less competitive issues in such a move

There are a number of factors leading to cross border trade and to focus in on alcohol represents incredible short-termism. There are plenty of north south bodies and ministerial meetings on north south issues. The Government should be using these structures to have an all Ireland approach to public health and things like excise duty. This would represent real progress for our young people on the island rather than simply reaching for the bottle whenever we have a problem.

1. We recommend an increase in excise duties on alcohol and tobacco to raise revenue and assist public health measures. Such increases should be ring fenced for youth services and particularly the work they do on encouraging and promoting healthy living
2. Close the loophole that allows retailers claim a VAT refund on the below cost selling of alcohol