

***BRITISH-IRISH PARLIAMENTARY ASSEMBLY***

**COMHLACHT IDIR-PHARLAIMINTEACH NA BREATAINE AGUS NA hÉIREANN**

**Committee C (Economic Affairs)**

**Report on Preventing Youth Unemployment through Education and Training**

**November 2015**

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* **1. Introduction and Key Issues**

Though the situation has abated somewhat as economies have returned to growth, the level of youth unemployment remains high compared to pre-crisis levels and continues to be of pressing concern to policymakers across these islands. The following is a background overview of the issue:

* In general, while youth unemployment rates have risen significantly since the onset of the recent global recession in 2008, the NEET population (those youths **N**ot in **E**mployment, **E**ducation or **T**raining) remains relatively constant in the UK, at approximately 10-13% and in Ireland at 13-15%. Youth unemployment rates are generally higher than the NEET rate while youth unemployment ratios are lower than the NEET rate.
* In April/June 2015, there were 922,000 NEET’s in the UK and 66,700 in Ireland. This represents 12.7% of all young people (UK) and 14.6% of all young people (Ireland) between the ages of 16-24. In both jurisdictions, 47% were considered unemployed (in the labour market and actively looking for employment) and 53% economically inactive (i.e. not in the labour market).
* Youth unemployment rates / NEET rates tend to be higher than the overall unemployment rate for a number of reasons including that that age cohort tends to be in a period of transition, young people lack contacts in the working world; they have less financial commitments / have parental support and may lack formal qualifications.
* Research has attempted to track the impact of youth unemployment at different levels: individual; societal; and economic. In terms of economic cost, one 2011 study found that those classified as NEETs are calculated to have cost the UK 1.05% of GDP (€18.4bn / £13.54bn) and cost Ireland 2.8% of GDP (€4.3bn / £3.2bn). One of the major concerns with the prevalence of youth unemployment is the prospect of a ‘lost generation’ and the imposition of ‘scarring’ effects which makes future employment more challenging.
* Ensuring a proactive, preventive approach to youth unemployment, and treating young people as long-term investments, is proven to yield far greater results than corrective / ‘cure’ or reactive measures;[[1]](#footnote-1)
* **1.1 Terms of Reference and Report outline**

The Committee’s terms of reference detailed that it would conduct an inquiry into the topic of ‘*Youth Unemployment’* to address the following aspects in the British-Irish Parliamentary Assembly (BIPA) jurisdictions:

1. To examine the scope and prevalence of youth unemployment;
2. To determine the effectiveness of policies to address the problem of youth unemployment;
3. To review and assess relevant EU initiatives; and
4. To make recommendations on a way forward having regard to the role and status of the British Irish Council.

As such, this Report provides an overview of the topic by drawing upon the resources (including written and oral statements) provided to the Committee during its meetings from various stakeholders and experts across the UK, Ireland and Brussels. Written submissions were also considered from a number of Scottish stakeholders / experts including Glasgow City Council, Youthlink Scotland, Glasgow Youth Unemployment Board and the Scottish Government.

Issues are treated thematically as it is not within the scope of this Report to address each issue raised in isolation.

The outline of this Report is as follows:

* **Section 2** details the policy context behind the issue of youth unemployment in the UK and Ireland, including definitions of youth unemployment, economic analyses and current statistics. This section also provide a detailed insight into preventive measures discussed at Committee meetings put forward by stakeholders and experts under broad themes;
* **Section 3** is a short general conclusion arising from the Committee’s inquiry into the topic.

The key recommendations are contained in 1.2 and include a reference to the relevant sections of this Report.

* **1.2 Key Recommendations**

The following are a list of recommendations which the Committee may wish to consider in its drafting of recommendations:

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| **Key Recommendations**  **Key Recommendation 1: Dissemination of this BIPA Committee C (Economic Affairs) Report** ([Section 2.3 refers](#section23head))  It is recommended that:   * A copy of this report be sent to the British-Irish Council for a response. * A copy be supplied to the Prime Minister of the United Kingdom, David Cameron MP and An Taoiseach, Enda Kenny TD, for an early response and a request that parliamentary debates be held in both Dáil Éireann and the House of Commons. * The report be circulated to the relevant Ministers in Ireland and all of the national parliaments and assemblies of the UK for a detailed policy response.   **Key Recommendation 2: Promotion of dual education / apprenticeships** ([Section 2.3.1 refers](#section231appren))  The promotion of vocational education and diverse apprenticeships as alternatives to the traditional academic route for young people should be considered of utmost importance considering the need by industry for employees with skilled, practical knowledge. The following should also be considered:   * Where applicable, existing recommendations regarding enhancing the provision of well-designed, quality apprenticeships and vocational training (e.g. the Review Group of the Department of Education and Skills in Ireland) should be implemented to facilitate entry and progress within the labour market by all youth. These apprenticeships should be industry and skill-specific and should incorporate significant interaction / work experience between a skilled professional (e.g. mechanic, baker or craftsperson) and a young person; * The potential for supporting apprenticeships through City Deals / ‘City Apprenticeship Hubs’, as evidenced in England, should be investigated more widely to identify whether such a scheme can be equally as effective in targeting specific industrial / economic sectors across these islands; * Vocational training / apprenticeships should be promoted more effectively to school age youth as a viable and desirable career path for young people to tackle existing perception issues as identified by stakeholders/experts; * Existing benefits of taking part in traineeships such as Industrial Cadets, to get young people ready for work, and apprenticeship programmes (e.g. including informing young people on the state of employment, salary, duration, work/education components, level of award and career path/industry progression) should be promoted more widely to all students through a reformed, student-specific, career guidance system;   **Key Recommendation 3: Provision of cognitive and job-specific skills (early age)** ([Section 2.3.3 refers](#section233youthentre))  While developing basic cognitive skills for young people is a key focus for policymakers in terms of assisting the currently unemployed, consideration should also be given to enhancing non-technical, practical skills (literacy, numeracy, communication, teamwork, problem-solving and learning ability) to improve the employability of young people in schools from an early age. Innovation, creativity and a flexible approach to learning, including work-based learning should also be orientated more directly towards current and future growth sectors in the wider economy.  **Key Recommendation 4: Provision of entrepreneurial education** ([Section 2.3.3 refers](#section233youthentre))  A consolidated and tailored approach to entrepreneurial education and experiential learning should be a core focus for all levels of education curricula and should aim to empower and prepare today’s youth for tomorrow’s workplace.  **Key Recommendation 5: An enhanced role for local authorities** ([Section 2.3.4 refers](#section234roleoflocalauth))  An enhanced role for local authorities (Local Enterprise Partnerships and local enterprise offices, or equivalents) should be actively supported by policymakers considering their proximity to local communities, particularly in terms of consultation and formulation of (preventive) policy ideas. This should aim to improve local engagement on this issue (in particular) and generally enhance collaboration and coordination amongst all local actors including training bodies, higher education institutions, employment services, local employers and other local service providers.  **Key Recommendation 6: An enhanced role for employers** ([Section 2.3.5 refers](#section235roleofbusiness))  A number of barriers have been identified preventing employers from having an effective role in engaging with young people to prevent youth unemployment arising. However, aside from providing apprenticeships, employers also have a key role in providing young people with the necessary skills and competencies that can help them into employment. The following are some areas which merit consideration:   * The number of employer / industry initiatives should be enhanced including through: mentoring programmes, work-based learning/ internships or work experience, a dedicated student careers plan, and a requirement for schools to directly liaise with local employers to identifying existing (and future) knowledge gaps and appropriately target the necessary technical and non-technical skills required in each locality; * A youth-friendly recruitment process is also highly recommended, taking account of accessibility concerns as identified by the Committee;   **Key Recommendation 7: Improvement of the provision of career guidance** ([Section 2.3.6 refers](#section236employmentraining))  Career guidance systems must be fit for purpose and can be qualitatively enhanced by facilitating stronger partnerships between education and training bodies and industry / employers in order to retain more youth in education and/or training and prevent them becoming NEET. Such systems should seek to improve a student’s knowledge of career opportunities from an early age which can be suitably matched to their developing interests. It is highly recommended that educators should have some experience in or knowledge of industry to provide a more holistic education to young people, aside from academia.  **Key Recommendation 8: Enhancement of levels of support for disadvantaged / minority youths** ([Section 2.3.7 refers](#section237disadvantage))  Disadvantaged youth have a higher chance of becoming NEET. As such,the targeting of disadvantaged and minority youth merits strong consideration and continued attention by policymakers. Where applicable, existing initiatives should be expanded to include academic tutoring (with a focus on cognitive skills, e.g. literacy and numeracy) and tailored mentoring programmes incorporating advocacy and financial support to remove some financial barriers to continuing in or undertaking higher education reflective of their career plan. Best practice initiatives across these islands should be scrutinised for effectiveness and adopted where no comparable initiatives exist. |

* **2. Policy context**
* **2.1 Defining youth unemployment**

The age categories used to define ‘youth’ are changeable with different countries adopting variable ranges / branding. For employment statistics purposes however, youth are classified as individuals between the ages of 15 and 24. This classification was formally adopted in 1999 by the International Labour Organisation (ILO).[[2]](#footnote-2) Following this classification, there are a number of terms used to analyse this topic, as follows:

* **Youth unemployment rate:** the number of unemployed young people aged 15-24 (i.e. youth) as a proportion of the labour force of 15-24 year olds (i.e. those employed and unemployed);
* **Youth unemployment ratio:** the number of unemployed youth (aged 15-24) as a proportion of the entire population of 15-24 year olds;[[3]](#footnote-3)
* **NEET:** a youth aged 15-24 who is **N**ot in **E**mployment, **E**ducation or **T**raining. A youth who is NEET is either (a) unemployed i.e. available for and looking for work *or* (b) economically inactive i.e. not looking for work e.g. because they are taking care of dependants at home.

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| **Box 1: The Unemployment rate , unemployment ratio and the NEET rate**  Generally, the main indicator of youth unemployment is the **youth unemployment rate.** However, there are a number of things to note with this definition.   * In the EU context, there are more *economically inactive* persons in the 15-24 age category than there are in the labour force (either officially employed or unemployed) i.e. the majority of ‘youths’ are not in the labour force; * Youth who are outside of the labour force are not officially unemployed (i.e. available to work and in receipt of social welfare, etc.) as many of these are students in full time education; * Therefore, a more reflective measure is the **youth unemployment ratio**, which takes into account all those aged 15-24 regardless of their participation in the labour force. * Building upon the youth unemployment ratio is the **NEET rate** – an indicator which adds those aged 15-24 who are both not employed and not in education**[[4]](#footnote-4)** (i.e. unemployed non-students), and those not economically active and not in education (i.e. inactive non-students).[[5]](#footnote-5) |

The comparative statistics for each of these measures for the UK and Ireland are illustrated below:

**Chart 1: Youth unemployment rate, youth unemployment ratio and NEET rate for Ireland/UK – 2014 (ages 15-24)**

**Source**: Eurostat. Note: For comparative purposes vis-à-vis the EU-28, the wider 15-24 age branding is used.

According to the ILO, the NEET rate, while relatively new, is viewed as increasingly important internationally as it incorporates a wider set of concerns around today’s youth, including early school leaving and labour market disengagement, rather than a more narrow focus on solely unemployment.[[6]](#footnote-6)

**NEET rates (UK and Ireland regions) - 2014**

The headline rate for ‘youth unemployment’ therefore differs depending on the metric applied. Using the NEET calculation, the data suggests that the UK is below the EU-28 average while Ireland is above the EU-28 average, as illustrated in Charts 1 and 2.

**Chart 2: NEET rate (age group 15-24) - 2014**

**11.9**

**12.5**

**15.2**

**Source:** Eurostat.

As identified by the UK Department of Work and Pensions in its presentation to the Committee, although there is historical variation in youth unemployment levels between countries, there is far more variation within regions.[[7]](#footnote-7)

As such, UK NEET rates differ significantly between the regions as follows:

* England (from 9.5% in the South-East to 15.1% in the North-East);
* Northern Ireland (14.1%), Scotland (from 7.7% to 13.6%); and
* Wales (from 12.9% to 16.3%).

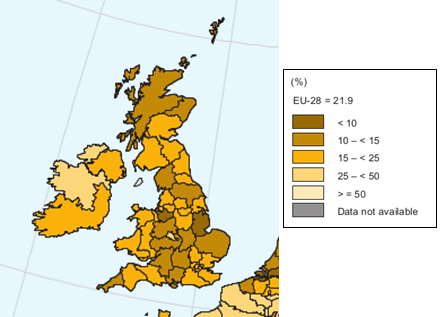
In 2014, the highest level in the UK and Ireland was in the Border, Midland and Western region of Ireland (18.3%) and the lowest was in North-Eastern Scotland (7.7%) and South-East England (9.5%).

**Table 1: Comparative NEETs statistics (ages 15-24) in the UK and Ireland (NUTS 1) - 2014**

|  |  |  |
| --- | --- | --- |
| **Country** | **Region** | **%** |
| **Ireland** | **All Regions** | **15.2** |
| Ireland | Border, Midland and Western | **18.3** |
| Southern and Eastern | **14.1** |
| **UK** | **All Regions** | **11.9** |
| **England** | **All Regions** | **n/a[[8]](#footnote-8)** |
| England | North East England | 15.1 |
| North West England | 12.4 |
| Yorkshire and the Humber | 13.6 |
| East Midlands | 11.0 |
| West Midlands | 14.4 |
| East of England | 11.3 |
| Greater London | 9.8 |
| South East England | 9.5 |
| South West England | 10.2 |
| **Northern Ireland** | **All Regions** | **14.1** |
| **Scotland** | **All Regions** | **12.2** |
| Scotland | Eastern Scotland | 11.5 |
| South Western Scotland | 13.6 |
| North Eastern Scotland | 7.7 |
| Highlands and Islands | 13.4 |
| **Wales** | **All Regions** | **15.0** |
| Wales | West Wales / The Valleys | 16.3 |
| East Wales | 12.9 |

**Source:** Eurostat.

**Chart 3: Comparative NEETs statistics (ages 15-24) in the UK and Ireland (NUTS 1) - 2014**



**Source:** [**Eurostat**](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Youth_unemployment_rate,_persons_aged_15%E2%80%9324,_by_NUTS_level_2_region,_2014_(%C2%B9)_(%25)_RYB15.png)

**NEET rates (UK and Ireland) - Recent estimates**

The age range for calculating NEETs does differ between jurisdictions across the EU. However, the Office for National Statistics (UK) and the Central Statistics Office (Ireland) employ an age range of 16-24.[[9]](#footnote-9) Notably, the pattern between the proportion of NEETs who are unemployed or economically inactive is the same for this period for both jurisdictions.

**Table 2: NEET estimates (ages 16-24) UK and Ireland**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Ireland** (April-June 2015)[[10]](#footnote-10) | **UK** (April-June 2015)[[11]](#footnote-11) | | | |
| **England** | **Northern Ireland** | **Scotland** | **Wales** |
| **Total # of NEETs** | **Total**: 66,700  (14.6% of all young people) | **Total**: 922,000  (12.7% of all young people) | | | |
| *Of which* | **Unemployed**  31,600 (47%)  **Economically inactive**[[12]](#footnote-12)  35,100 (53%) | **Unemployed**  431.000 (47%)  **Economically inactive**  491,000 (53%) | | | |

**Sources**: As indicated in footnotes.

* **2.2. Scope and prevalence of youth unemployment**
* Identifying and understanding the scope, prevalence and consequences of youth unemployment is a primary concern for policymakers**.** The following section refers to the causes of youth unemployment and the risk factors which make it more likely that a young person becomes NEET.
* **2.2.1 Reasons for youth unemployment and risk factors**

Generally, youth unemployment rates tend to be higher than the general rate of unemployment in the population for the following reasons:[[13]](#footnote-13)

* The ages of 15-24 comprise a **period of transition** young people experience when they move from formal education and training to the world of work, which can thus result in periods of instability;
* Young people will often have **fewer contacts**, little general experience in job hunting (making them less efficient in doing so) and will have less ‘human capital’ to offer potential employers;
* The **cost of investing** in young people is often too much of a long-term focus for companies and organisations concerned with pressures of the here and now;
* Young people tend to be **over represented in jobs** which are sensitive to economic cycles (such as construction and related sectors);
* Young people may not have as many **financial commitments** as older people, and may have parents who are willing to support them financially when unemployed. Such factors can act as incentives for young people to “restrict their job search activity, leading to higher rates of unemployment;” and
* An absence of **formal educational attainment** amongst some young people.

As detailed in the previous section, the current elevated level of NEETs across the UK and Ireland is of particular concern to policymakers. A February 2013 report[[14]](#footnote-14) by the Oireachtas Joint Committee on Jobs, Enterprise and Innovation, using data from a 2011 Eurofound report[[15]](#footnote-15) identified a number of risk factors for becoming NEET and concluded the following:

* Those reporting having some kind of disability are 40% more likely to become NEET;
* Young people with an immigrant background are 70% more likely to become NEET;
* Those with a low education level are three times more likely to become NEET compared to those with tertiary education;
* Living in remote areas increases the probability of becoming NEET by up to 1.5 times;
* Young people with a low household income are more likely to become NEET than those with average income;
* Having parents who experienced unemployment increases the probability of becoming NEET by 17%;
* Having parents with a low level of education doubles the probability of becoming NEET; and
* Young people whose parents divorced are 30% more likely to become NEET.

Although for many individuals being NEET is a temporary situation, it can be difficult to conduct research which can confirm the permanent impact of this unemployment or inactivity i.e. on health, wellbeing and future employment prospects.[[16]](#footnote-16) In general, while youth unemployment rates have risen significantly since the onset of the recent global recession in 2008, the NEET population (and proportion of total youth) remains relatively constant in the UK, at approximately 10-12% and in Ireland at 13-15%.

* **2.2.2 Impact of youth unemployment**

As both the UK and Ireland experienced relatively high levels of youth unemployment, research has attempted to track its impact at different levels: individual; societal; and economic.

At an **individual** level, much has been written about the *scarring* effects of unemployment on young people. Young unemployed people can take relatively longer than their older counterparts to overcome unemployment, largely due to their lack of overall exposure to the labour market. Moreover, being unemployed when young increases the chances of being unemployed in later life, as well as impacting negatively on the amount of money earned later in life if employment is secured.[[17]](#footnote-17) Young unemployed people are also more likely to experience deskilling,[[18]](#footnote-18) social exclusion along a number of dimensions (e.g. labour market, cultural, social, and financial),[[19]](#footnote-19) poor health and lower job satisfaction in later life,[[20]](#footnote-20) lower happiness,[[21]](#footnote-21) and self-report lower levels of well-being.[[22]](#footnote-22) Recent research has also highlighted the negative impact prolonged exposure to unemployment can have on mental health.[[23]](#footnote-23)

The individual impact of youth unemployment can have obvious knock-on effects for **society** as a whole. For example, high levels of youth unemployment can have a negative impact for services aimed at older people, particularly when the financing of services is via tax income. Increases in the proportion of populations over 65 in both countries can serve to make this effect more acute.[[24]](#footnote-24) Individual scarring effects of unemployment amongst young people can also result in increased demand for, and thus greater pressure on, a range of public services, including employment, welfare and health.[[25]](#footnote-25) There is also a greater risk of a more fragmented society resulting from the various forms of social exclusion which young unemployed people can experience.[[26]](#footnote-26) Work by Eurofound revealed that NEETs were less trusting of social and political institutions than non-NEETs, less politically engaged and less likely to participate in political organisations.[[27]](#footnote-27)

At an **economic** level, high youth unemployment can result in reduced productivity as there is less chance of young workers introducing new skills and innovation into production processes. There is also the economic cost to the state of large numbers of unemployed people, in lost tax income, increased welfare payments and the costs of related schemes. The Eurofound study revealed that the economic costs of NEETs was in the region of €153 billion in 2011 for the then EU-26.[[28]](#footnote-28) As an indicative guide, in 2011 those classified as NEETs are calculated to have cost Ireland 2.8% of GDP and €4.33bn (or £3.19bn) and cost the UK as a whole 1.05% or €18.35bn (or £13.54bn).[[29]](#footnote-29) This was based on youth unemployment rates (the metric used in the study) of 21.3% (UK) and 29.1% (Ireland).[[30]](#footnote-30)

**Table 3: Economic cost of NEETs - 2011**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Ireland** | **UK** | | | |
| **England** | **Northern Ireland** | **Scotland** | **Wales** |
| **NEET Rate (2011)** | 18.8% | 14.2 % | | | |
| % of GDP | 2.8 | 1.05 | | | |
| Cost (£ / €) | £3.19bn / €4.33bn | £13.54 / €18.35bn | | | |
| **NEET Rate (2014)** | 15.2% | 11.9% | | | |

**Source:** [Eurofound](http://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef1254en.pdf) and Eurostat (NEET rate, age group 15-24)

More recently, PwC’s *Young Worker Index[[31]](#footnote-31)* has estimated that if the rate for the 20-24 year old NEET cohort in the UK and Ireland was reduced to German levels (approximately 10% in 2013) the long-term economic benefit to the UK and Ireland would be +4% (£55bn / €77.3bn) and +3% of GDP respectively (£3.8bn / €5.4bn) respectively.

* **2.3. Preventive approaches / local strategies in the UK and Ireland**

Any successful strategy to tackle youth unemployment must incorporate measures to address its prevalence as it currently exists i.e. ‘corrective’, activation or emergency measures as well as proactive preventive measures which aim to minimise the risk of future generations becoming unemployed or distant from employment, education and/or training in the first instance.

This Report will focus on the latter aspect and provide an insight into some comparative preventive approaches currently applied across the UK and Ireland which have been shown to aid the transition from education to employment and enhance youth employability in general.

As identified by this Committee in its research, these preventive measuresaimed at mitigating the risks of becoming unemployed at a young age and maintaining engagement of young people with mainstream education and training should be actively investigated and considered by all stakeholders including the responsible governments at the appropriate level (regionally and nationally).[[32]](#footnote-32)

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| **Key Recommendation 1: Dissemination of this BIPA – Committee C (Economic Affairs) Report**  It is recommended that:   * A copy of this report be sent to the British-Irish Council for a response. * A copy be supplied to the Prime Minister of the United Kingdom, David Cameron MP and An Taoiseach, Enda Kenny TD, for an early response and a request that parliamentary debates be held in both Dáil Éireann and the House of Commons. * The report be circulated to the relevant Ministers in Ireland and all of the national parliaments and assemblies of the UK for a detailed policy response. |

**Ensuring successful transition from education to employment**

In order to facilitate successful transition from education to employment, the fundamental principle is that there needs to be a good match between the supply of and demand for specific skills. However, attaining these skills can become complicated due to systemic issues. As detailed to the Committee by Dr. Richard Dorset of the UK-based National Institute of Economic and Social Research (NESR)[[33]](#footnote-33) one prominent issue is that of multiple systems competing for resources insofar as: (a) the education system wants high attainment outcomes (i.e. a high degree of education) (b) the skills system aims to meet employer’s needs (i.e. prospective employees who adequately meet the needs of employers) and (c) the labour market is seeking full employment (i.e. aims to reduce the number of NEETs / unemployment as far as possible). There are a number of measures which can complement the aims of these competing systems and provide for a successful transition from education to employment for young people and prevent youth unemployment from occurring, as detailed in the following sections.

* **2.3.1 Promotion of dual education / training systems**

The promotion of vocational education and apprenticeships is viewed as highly important in supporting the transfer from education to sustainable employment. According to the OCED, countries with a long tradition of apprenticeships and stakeholder engagement exhibit a smoother transition from school to work, lower NEET rates and youth unemployment, and below average repeated periods of unemployment than countries with a school-based system.[[34]](#footnote-34) As set out by the UK Department of Work and Pensions to the Committee, modern apprenticeships are defined according to certain criteria and quality standards that must be met in order to access funding. Additional support is provided to specifically target[[35]](#footnote-35) young people by blending alternative learning in the workplace with learning in an education or training centre (i.e. a dual system).

The German apprenticeship model, for example, is widely praised and frequently cited as an exemplar in this area. The German system trains 1.5 million people annually and includes many different occupations, such as carpenters, engineers and bakers. A significant number of apprentices also secure permanent jobs (up to 90% in some cases) with others being offered short-term contracts. However, vitally, the German model is supported by both a school system and corporate culture which is unique, as well as a highly regulated labour market.[[36]](#footnote-36) For example, in the Irish case,the OCED and the European Commission have argued that the ongoing structural change in the Irish economy requires a flexible apprenticeship system where the terms of the apprenticeship reflects the needs of a specific sector. A review into apprenticeship training was announced by the then Minister for Education and Skills, Ruairí Quinn T.D. in May 2013. The Review Group, reporting in December 2013[[37]](#footnote-37), concluded the following:

“However, much of the commentary tends to ignore the fact that Ireland cannot simply adopt systems that have been built over generations, upon very different economies, labour markets and institutional arrangements. This is not to say that we don’t have much to learn from these systems.”

Following this Review, an Apprenticeship Council (in collaboration with the Departments of Education and Skills, and Jobs, Enterprise and Innovation) was set up in November 2014 and proposed 25 new targeted, industry-led apprenticeship programmes in areas where skills shortages and opportunities for young people currently exist including ICT, transport and logistics, financial services, and tourism and hospitality.

Apprenticeships can also support local regions when tailored to the requirements of specific regional industries. A research paper on City Deals was discussed by the Committee at its meeting in London. City Deals are negotiated by cities whereby new powers are devolved in exchange for greater responsibility to stimulate and support economic growth in their area. One aspect of the City Deals are the ‘City Apprenticeship Hubs’ which enable cities to boost apprenticeship numbers by supporting SMEs to take on apprentices through Apprenticeship Training Agencies and through brokerage and incentive payments (as evidenced in Bristol and the West of England, Greater Manchester, Leeds City Region, Newcastle and Nottingham).[[38]](#footnote-38) According to Richard Dorset of the UK-based National Institute of Economic and Social Research (NIESR), City Deals now cover about 40% of the UK. There has also been a proliferation of ‘Modern Apprenticeships’ (MAs) across the UK. In Scotland, the national skills agency, Skills Development Scotland (SDS), has committed to delivering 25,500 MA starts in 2015 with a focus on small employers and key sectors such as Science, Technology, Engineering and Mathematics (STEM).

However, there is a perception problem amongst young people around modern apprenticeships and vocational training in general. A number of stakeholders[[39]](#footnote-39) detailed a view to the Committee that a ‘snobbery’ element persists with differing levels of esteem, where vocational trainees or those with vocational qualifications are viewed as “second-class citizens” compared with their academic counterparts with undergraduate degrees. As such, a certain bias (or “national obsession” according to one Irish stakeholder) towards non-vocational training has permeated in recent years which needs to be addressed.

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| **Key Recommendation 2: Promotion of dual education / apprenticeships**  The promotion of vocational education and diverse apprenticeships as alternatives to the traditional academic route for young people should be considered of utmost importance considering the need by industry for employees with skilled, practical knowledge. The following should also be considered:   * Where applicable, existing recommendations regarding enhancing the provision of well-designed, quality apprenticeships and vocational training (e.g. the Review Group of the Department of Education and Skills in Ireland) should be implemented to facilitate entry and progress within the labour market by all youth. These apprenticeships should be industry and skill-specific and should incorporate significant interaction / work experience between a skilled professional (e.g. mechanic, baker or craftsperson) and a young person; * The potential for supporting apprenticeships through City Deals / ‘City Apprenticeship Hubs’, as evidenced in England, should be investigated more widely to identify whether such a scheme can be equally as effective in targeting specific industrial / economic sectors across these islands; * Vocational training / apprenticeships should be promoted more effectively to school age youth as a viable and desirable career path for young people to tackle existing perception issues as identified by stakeholders/experts; * Existing benefits of taking part in traineeships such as Industrial Cadets, to get young people ready for work, and apprenticeship programmes (e.g. including informing young people on the state of employment, salary, duration, work/education components, level of award and career path/industry progression) should be promoted more widely to all students through a reformed, student-specific, career guidance system. |

* **2.3.2 Cognitive (literacy / numeracy) skills and job-specific skills**

Ensuring that young people are attaining the necessary skills for employment rather than just those skills valued and accredited by the education system was a key focus for the Committee. The acquisition of relevant industry-specific and (to a greater extent) job-specific skills improves the transition of young people from education to work and also improves the obtainability of good quality jobs.[[40]](#footnote-40) One example detailed was that of the ‘Glasgow Guarantee’, whereby every young person in the city‘s schools is to be equipped with the knowledge, skills and experience needed to improve their ability to compete and sustain employment. Each country has implemented some form of a youth guarantee in different ways. For example, in Ireland 15 separate programmes underpin the Irish guarantee which includes, among other things, cognitive skill training through work-based learning.[[41]](#footnote-41)

Recent research by the OCED[[42]](#footnote-42) indicates a direct correlation between a low level of literacy and numeracy skills and a high likelihood of young people becoming NEET. The NEET rate for youth with low cognitive skills is significantly above the OCED average for both Ireland and the UK (16-29 year olds).[[43]](#footnote-43) Being NEET for a long period of time is also strongly correlated to a low level of skills.

Another key concern for the Committee was underutilisation of skills in some economies. According to the OCED:[[44]](#footnote-44)

“Even when young people are employed, their skills are not always used in an efficient manner. Their skills are more frequently underutilised than with prime-age workers and many youth are not “well matched”. In addition to possibly undermining youth employability in the longer term, it is also a missed opportunity for the economy and society if a large set of skills is not put to effective use.”

The implementation of national literacy, numeracy and ICT strategies is ongoing across these islands with targeted supports, as indicated by the relevant Government Departments / Ministries in their presentations to the Committee. However, there are other considerations as highlighted by other experts. As detailed by Mr. Tony Wilson, Policy Director for the UK-based Centre for Economic and Social Inclusion, employers are interested in candidates who can demonstrate that they have employability skills, such as teamwork, reliability, customer services, etc. The UK Commission for Employment and Skills (UKCES)[[45]](#footnote-45) was cited as a best practice example.[[46]](#footnote-46) Similarly, a recent study[[47]](#footnote-47) conducted by Irish Small and Medium Enterprises Association (ISME) among its Irish members found that SME employers also seek a number of non-technical, basic skills when recruiting including that a potential employee should be: conscientious, focused, courteous, friendly, enthusiastic, motivated, a fast learner, innovative and possess common sense – with enthusiasm and interest in the business the most commonly cited skills required.

* **2.3.3 Youth entrepreneurship**

Entrepreneurship is becoming one of the most valued skills required in the marketplace as it is generally linked to many other useful skills including creativity and adaptability.[[48]](#footnote-48) It also offers the opportunity for youth to use their existing skills more effectively and foster innovation more broadly to the benefit of the economy and wider society. The European Commission’s Eurobarometer survey also indicates that young people are more positively inclined towards engaging in self-employment / entrepreneurship compared to the average adult.[[49]](#footnote-49) As such, emphasising self-employment and entrepreneurship among young people through, among other things, provision of entrepreneurship education to school students can have a catalytical impact on youth engagement in the longer-term.[[50]](#footnote-50) A related option is to provide targeted funding for youth entrepreneurship activities (as employed in Sweden) and/or establish an action programme for young entrepreneurs focusing on stimulating regional and sectoral networks well as a system of mentoring, loans and advice for local level entrepreneurship (as employed in the Netherlands).

A number of countries have sought to actively promote a culture of ambition through encouraging youth entrepreneurship, including Scotland with its Young Scottish EGDE fund (a £150,000 fund to award young entrepreneurs aged between 18 and 30) and ‘Enterprising Schools’ (a fund of £327,000 fund to recognise schools for their work in this area and provide a platform for sharing good practice).

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| **Key Recommendation 3: Better provision of cognitive and job-specific skills (early age) and entrepreneurial education**  While developing basic cognitive skills for young people is a key focus for policymakers in terms of assisting the currently unemployed, consideration should also be given to enhancing non-technical, practical skills (literacy, numeracy, communication, teamwork, problem-solving and learning ability) to improve the employability of young people in schools from an early age. Innovation, creativity and a flexible approach to learning, including work-based learning should also be orientated more directly towards current and future growth sectors in the wider economy.  **Key Recommendation 4: Provision of entrepreneurial education**  A consolidated and tailored approach to entrepreneurial education and experiential learning should be a core focus for all levels of education curricula and should aim to empower and prepare today’s youth for tomorrow’s workplace |

* **2.3.4 Role of local authorities**

Local authorities can and do play a strategic role in supporting young people at risk of becoming NEET. In Wales, for example, local government has a central role in terms of implementation of the Youth Engagement and Progression Framework (YEPF).[[51]](#footnote-51) As such, local authorities work closely with Careers Wales, youth services, schools, colleges, work-based learning providers and other partners and are given flexibility in terms of delivery and operational issues such as the use of their existing resources (e.g. youth workers). However, issues do remain in terms of visibility and lack of awareness by local authorities regarding how their youth workers and youth work provision generally can engage with the Framework.[[52]](#footnote-52) Local authorities have different responsibilities depending on the country in question. For example, in Germany, local authorities along with the German States (Lander) have responsibility for funding vocational schools. In the Netherlands, municipalities and other local authorities have created regional action plans to address school dropout and youth unemployment more generally.[[53]](#footnote-53) Across the EU, there is a strong drive towards enhancing cooperation between all local actors including local authorities, schools, social services and private businesses to improve labour market integration for young people.

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| **Key Recommendation 5: An enhanced role for local authorities**  An enhanced role for local authorities (Local Enterprise Partnerships and local enterprise offices, or equivalents) should be actively supported by policymakers considering their proximity to local communities, particularly in terms of consultation and formulation of (preventive) policy ideas. This should aim to improve local engagement on this issue (in particular) and generally enhance collaboration and coordination amongst all local actors including training bodies, higher education institutions, employment services, local employers and other local service providers. |

* **2.3.5 Role of business / industry**

The involvement of local employers was cited by a number of witnesses in meetings with the Committee as being of upmost importance in preventing disengagement of young people from education prior to youth unemployment becoming an issue (and avoiding the prospect of becoming NEET). One reason for this is that schools do not comprehensively provide all young people with the skills and experience required to avoid unemployment. Therefore, cooperation between educators and employers to ensure that students (school leavers, in particular) acquire those skills in demand by the modern economy (both local and national) is a key consideration for policymakers in order to match skills with jobs. One method to achieve this is work-based learning which provides students with an opportunity to develop their social and emotional skills (e.g. communication and teamwork) while at the same time providing the employer with an opportunity to scrutinise a potential employee and consider them for future employment.

From an employer’s perspective, one UK study found that the most common benefit of employing young people generally cited was that a young person “can be moulded into our own way of doing things” and bring a renewed sense of purpose, a fresh perspective and new energy and enthusiasm to an organisation. Other findings indicate that, from an employer’s perspective, young people tend to have good levels of digital / ICT literacy and can cost less than older workers.[[54]](#footnote-54)

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| **Key Recommendation 6: An enhanced role for employers**  A number of barriers have been identified preventing employers from having an effective role in engaging with young people to prevent youth unemployment arising. However, aside from providing apprenticeships, employers also have a key role in providing young people with the necessary skills and competencies that can help them into employment. The following are some areas which merit consideration:   * The number of employer / industry initiatives should be enhanced including through: mentoring programmes, work-based learning/ internships or work experience, a dedicated student careers plan, and a requirement for schools to directly liaise with local employers to identifying existing (and future) knowledge gaps and appropriately target the necessary technical and non-technical skills required in each locality; * A youth-friendly recruitment process is also highly recommended, taking account of accessibility concerns as identified by the Committee; |

* **2.3.6 Employment training supports / guidance and counselling**

The necessity to align education and training systems better with the needs of the labour market is a prominent concern of policymakers. For many young people, bridging the gap from education to employment entails direct training supports e.g. traineeships, internships and, as discussed in an earlier section, apprenticeships and vocational training to raise the employability of certain cohorts in a targeted way.

However, targeting unemployed youth can have a displacement effect whereby a youth remains unemployed (i.e. “locked-in”) for the duration of a programme, rather than actively seeking work, which may be detrimental to that person’s employability. Hence, earlier targeting of school age youth is viewed as preferential. Several proposals have been suggested to tackle these issues. For example, the OCED has recommended a “work-first strategy” be adopted that encourages employment through, among other things, ensuring that places in training programmes are targeted to youth with low skills and those who face specific barriers in the labour market. Another recommendation is that comprehensive, high-quality guidance and counselling systems are built and resourced to help young people in their transitions to the labour market.[[55]](#footnote-55)

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| **Key Recommendation 7: Improvement of the provision of career guidance**  Career guidance systems must be fit for purpose and can be qualitatively enhanced by facilitating stronger partnerships between education and training bodies and industry / employers in order to retain more youth in education and/or training and prevent them becoming NEET. Such systems should seek to improve a student’s knowledge of career opportunities from an early age which can be suitably matched to their developing interests. It is highly recommended that educators should have some experience in or knowledge of industry to provide a more holistic education to young people, aside from academia. |

* **2.3.7 Targeting disadvantaged youths / intergenerational unemployment**

The UK-based National Institute of Economic and Social Research indicated to the Committee that living in an area of deprivation is a prominent factor influencing how some young people become unemployed, along with a low level of parental education or achievement. Young people from socio-economically disadvantaged or minority backgrounds generally face greater difficulties at school and underperform compared with their peers, particularly when choosing career paths that may lead to high paid jobs. This is partially as a result of their shorter decision-making horizons and a lack of understanding of the wider labour market implications of such decisions.[[56]](#footnote-56) Fair and equal access to education and employment is also a key concern.

One measure to counteract the reduced prospects for certain disadvantaged youth is the Activity Agreement model in Scotland. An Activity Agreement is a ‘first-step’ agreement between a young person and an advisor that the young person will take part in a programme of tailored learning and activity which helps them to become ready for formal learning or employment.[[57]](#footnote-57) This model specifically requires local planning to provide for early identification of needs and as such, provides direct assistance to disadvantaged youth. Another Scottish initiative is the Education Maintenance Allowance (EMA) whereby a weekly payment of £30 is paid to a youth from a low income family (up to age 20) to stay in education after 16 years old. This incentive is administered by local authorities and colleges.

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| **Key Recommendation 8: Enhancement of levels of support for disadvantaged / minority youths**  Disadvantaged youth have a higher chance of becoming NEET. As such,the targeting of disadvantaged and minority youth merits strong consideration and continued attention by policymakers. Where applicable, existing initiatives should be expanded to include academic tutoring (with a focus on cognitive skills, e.g. literacy and numeracy) and tailored mentoring programmes incorporating advocacy and financial support to remove some financial barriers to continuing in or undertaking higher education reflective of their career plan. Best practice initiatives across these islands should be scrutinised for effectiveness and adopted where no comparable initiatives exist. |

* **2.4. International trends / European dimension**

While it has been acknowledged by witnesses to the Committee that the primary responsibility for addressing youth unemployment lies with individual States, many have noted the supportive role the European Union can play. In 2010, the EU launched its Youth Strategy for the period 2010-2018, with the dual aims of enhancing participation of young people in society and providing more and equal opportunities for them in education and the job market. A number of actions under eight programme areas were identified, including education and training, and employment and entrepreneurship.

Notwithstanding the ongoing implementation of the Strategy, the persistence of high rates of youth unemployment has challenged the achievement of these aims. In response, the European Commission developed a specific youth element to its employment package, comprising a number of policy initiatives. Prominent amongst these was the development and implementation in each Member State of a Youth Guarantee scheme. The Youth Guarantee scheme involves making a bespoke, individualised offer of employment, an apprenticeship, a traineeship or further education within four months of a young person (under 25) leaving formal education or becoming unemployed. The Scheme was agreed in 2013 and both the UK (Hartlepool, Croydon and Pembrokeshire) and Ireland (Ballymun) participated in its pilot implementation in 2013/2014.[[58]](#footnote-58) All Member States were asked to develop implementation plans by the end of 2013.[[59]](#footnote-59)

The Youth Employment Package also includes measures to promote the uptake of traineeships in Member States through the development of a Quality Framework for Traineeships and the fostering of enhanced apprenticeship opportunities via a European Alliance on Apprenticeships. Other programmatic packages developed since 2013 include Youth on the Move and Erasmus *plus*, both of which are focused on increasing mobility of young people to access education, training and education opportunities across the Union.

These programmatic initiatives are supported by a number of EU funding streams, as follows:

1. The European Social Fund (ESF) provides support to Member States to support people in (to) employment, with a focus on training, education and mobility. Programmes are co-financed by each Member State. In 2013, €3.2 billion of the ESF was allocated specifically to support Member States to tackle youth unemployment as part of the Youth Employment Initiative (see overleaf).
2. The European Regional Development Fund is primarily focused on developing Europe’s Regions through research and innovation, support for small and medium-sized enterprises and promoting the digital agenda.
3. The Youth Employment Initiative (YEI) – a new, specific funding stream of €3.2 billion in addition to the specific allocation within the ESF to support those regions in the EU where youth unemployment rates are above 25%. These regions included all those in Ireland and five in the UK: Merseyside; South West Scotland; Inner London; Tees Valley and Durham; and West Midlands. Smaller amounts were also allocated to particular areas where youth unemployment rates were also problematic, including Hull; Leicester; Nottingham; and Thurrock.[[60]](#footnote-60) The YEI funds from the new funding stream were frontloaded in 2014 to try to immediately address the problem.

Funding under each stream for the UK and Ireland is set out in the below Table:[[61]](#footnote-61)

**Table 4: EU funding – UK and Ireland**

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|  | **UK** | **Ireland** |
| European Social Fund[[62]](#footnote-62) | £3.5bn / €4.9bn | £385mn / €542mn |
| Youth Employment Initiative  (total €3.2 billion)[[63]](#footnote-63) | £146.4mn / €206mn | £48mn / €68mn |
| European Regional Development Fund | £4.1bn / €5.8bn | £291mn / €409mn |

**Source**: [EC cohesion policy data](https://cohesiondata.ec.europa.eu/). Conversion to GBP using xe.com.

Regarding the specific allocation within the European Social Fund for youth unemployment, the Commission took the decision in February 2015 to permit pre-financing of operational programmes up to 30% of total allocation due to difficulties in getting initiatives underway. The usual maximum amount of pre-financing allowed under ESF rules is 1-1.5%.[[64]](#footnote-64)

Despite these developments, the Commission noted the challenges which remained for both countries in addressing the problem of youth unemployment. In its country recommendations for 2015-2016, the Commission commented on Ireland that youth unemployment was still much higher than in the pre-crisis period,while it recommended that the UK “address skills mismatches by increasing employers’ engagement in the delivery of apprenticeships. Take action to further reduce the number of young people with low basic skills.”[[65]](#footnote-65)

* **3. Conclusion**

Youth unemployment remains a prevalent concern for policymakers across these islands. However, though the recent economic crisis has had a significant impact on youth and those furthest from the labour market, there has been a renewed impetus by governments to tackle this problem, supported by EU initiatives such as the Youth Guarantee. The focus of this Report was on qualitative enhancements to education and training provision at an early age, as well as related preventive approaches. As identified by the Committee, a very significant array of specific preventive measures have been put forward by stakeholders and experts from across these islands and suggest there is a significant benefit to be gained by all countries of the UK and by Ireland through sharing best practice experiences in order to tackle the root causes of youth unemployment by providing additional opportunities and improving the employability of young people.

**Appendix 1: List of Committee meetings and attendees**

1. *Meeting in London, 23rd and 24th February 2014*

Jack Wall TD (Chairman), John Robertson MP (Vice-Chairman), Senator Paschal Mooney, Senator John Crown, Lindsay Whittle AM, Paul Flynn MP, Oliver Colvile MP, Ann Phelan TD, Arthur Spring TD, Mary Scanlon MSP, Andrew Rosindell MP

1. *Meeting in Cardif,, 29th and 30th June 2014*

Jack Wall TD (Chairman), Mattie McGrath TD, Senator Paschal Mooney, Lord Empey, Oliver Colvile MP, Lindsay Whittle AM, Sean Rogers MLA, Judith Cochrane MLA, Deputy John Le Fondré

1. *Meeting in Belfast, 18th and 19th January 2015*

Jack Wall TD (Chairman), John Robertson (Vice Chairman), Mattie McGrath TD, Senator John Crown, Senator Paschal Mooney, Lord Empey, Lindsay Whittle AM, Judith Cochrane MLA, Sean Rogers MLA, Mary Scanlan MSP, Deputy John Le Fondré

1. *Fact-finding Mission Brussels, 13th and 14th July 2015*

Jack Wall TD (Chairman), Lord Empey, Senator Paschal Mooney.

1. *Meeting in Dublin, 1st and 2nd November 2015*

Jack Wall TD (Chairman), Lord Reg Empey, Senator Paschal Mooney, Arthur Spring TD

**Appendix 2: List of Scottish Organisations providing written submissions**

Scottish Government

Glasgow City Council

Youthlink Scotland

Skills Development Scotland

**Appendix 3: Acknowledgments**

***We would like to thank the following for their assistance in briefing the Committee***

Mr Chris Guest, Department of Work and Pensions, UK

Simon Wood, Department of Work and Pensions, UK

Vikki Knight, Department of Work and Pensions, UK

Tony Wilson, Centre for Economic and Social Inclusion, UK

Spencer Thompson, Institute for Public Policy Research (IPPR), UK

Paul Napier, Wales Rathbone UK

Ken Skates AM, Deputy Minister for Skills and Technology, Wales

Paul Byard, Commerce Wales (Cymru)

Guy Lacey, Blaenau Gwent Learning Zone, Wales

John Sexton, Blaenau Gwent Learning Zone, Wales

Denise Wright, South Belfast Round Table

Ann Marie White, Lower Ormeau Residents Action Group

Maura Muldoon, Police Service of Northern Ireland

Pauline McCarry, An Munia Tober, Northern Ireland

Sorina Toma, Bryson Intercultural, Northern Ireland

Denis Long, Mediation NI

Nicolae Nicola, Romanian Roma Community Assoc of NI

Connor Smith, NI Housing Executive

Mary McDonnell, NI Housing Executive

Stephen Martin, Department for Social Development , Northern Ireland

Jason McAnulty, Department for Social Development, Northern Ireland

Stephen Long, Belfast Health and Social Care Trust Traveller, Northern Ireland

Bryan Nelson, Belfast Health and Social Care Trust Traveller, Northern Ireland

Heather Stevens, Department of Health, Northern Ireland

Stephen Galway, Department of Health, Northern Ireland

Joan McGovern, Barnardo's Tuar Ceatha, Northern Ireland

Pamela Kirk, Barnardo's Tuar Ceatha, Northern Ireland

Julie Humphries, Department of Education, Northern Ireland

Michael Wardlo, Northern Ireland Equality Commission

Paul Noonan, Northern Ireland Equality Commission

Jean Lambert MEP

Tom Hanney, Permanent Representation of Ireland to the European Union

Baudouin Baudru, Cabinet of Commissioner Marianne Thyssen

Julie Fionda, Cabinet of Commissioner Marianne Thyssen

Detleff Eckert, Directorate-General Employment

Allan PÄLL, European Youth Forum

Phil O’Flaherty, Department of Education and Skills, Ireland

Terry Corcoran, Department of Social Protection, Ireland

Declan Hughes, Department of Jobs, Enterprise and Innovation, Ireland

Paul O’Toole, SOLAS, Ireland

Tony Donohoe, Irish Business and Employers Confederation (IBEC)

Patricia King, Irish Congress of Trade Unions (ICTU)

Mark Fielding, Irish Small and Medium Enterprises Association (ISME)

James Doorley, National Youth Council of Ireland (NCYI)

The Committee would like to express its gratitude in particular to Mr. Darren Lawlor, Researcher, Oireachtas Library and Research Service, for his outstanding work in assisting in the compilation of evidence and production of this report.

1. PwC (2015) [PwC Young Workers Index: How well are OCED economies developing the economic potential of their young people?](https://www.pwc.at/publikationen/PwC%20Young%20Workers%20Index%20final%20pack.pdf), October 2015. [↑](#footnote-ref-1)
2. International Labour Organisation. (2011) “*Youth Unemployment*” in ILO (ed) Key Indicators of the Labour Market 10. Geneva: International Labour Market. [↑](#footnote-ref-2)
3. There is significant debate about whether the youth unemployment rate or ratio should be used to provide a more accurate picture of the extent of youth unemployment. Both the CSO and Eurostat give primacy to the youth unemployment rate in their publications. [↑](#footnote-ref-3)
4. A youth is considered to be in education or training if any of the following apply (1) They are enrolled on an education course and are still attending or waiting for term to (re)start; (2) They are doing an apprenticeship; (3) They are on a government supported employment or training programme; (4) They are working or studying towards a qualification; or (5) They have had job-related training or education in the last 4 weeks. See: Office for National Statistics (2015) [Statistical Bulletin: Young People Not in Education, Employment or Training (NEET)](http://www.ons.gov.uk/ons/dcp171778_413808.pdf). August 2015, p.2. [↑](#footnote-ref-4)
5. ILO (2015) [‘What does NEETs mean and why is the concept so easily misunderstood’](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_343153.pdf). Technical Brief No.1. [↑](#footnote-ref-5)
6. ILO (2015) [‘What does NEETs mean and why is the concept so easily misunderstood’](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_343153.pdf). Technical Brief No.1. [↑](#footnote-ref-6)
7. Presentation by the UK Department of Work and Pensions to Committee C Members, London, 24 February 2014. [↑](#footnote-ref-7)
8. England is not included in the NUTS-1 classification. [↑](#footnote-ref-8)
9. The CSO has explained that this age range / branding is used as attendance at school is compulsory up to age 16 or until students have completed three years of second level education, whichever is later. [↑](#footnote-ref-9)
10. Central Statistics Office (CSO) *Quarterly National Household Survey Main Results - ILO Participation, Employment and Unemployment Characteristics by Age Group, Sex, Statistical Indicator and Quarter* and CSO correspondence. [↑](#footnote-ref-10)
11. Office for National Statistics (2015) [Statistical Bulletin: Young People Not in Education, Employment or Training (NEET)](http://www.ons.gov.uk/ons/dcp171778_413808.pdf). August 2015. [↑](#footnote-ref-11)
12. Economically inactive people are those who are not looking for work and those who are looking after dependants at home. These definitions are based on those recommended by the ILO. [↑](#footnote-ref-12)
13. Oireachtas Library & Research Service (2013) L&RS Spotlight ‘[Responding to Youth Unemployment in Europe’](http://vhlms-a01/AWData/Library2/Spotlight_Responding_to_Youth_Unemployment_in_Europe_for_upload_on_02122013_094420.pdf)*.* December 2013, p.3. [↑](#footnote-ref-13)
14. Oireachtas (Irish Parliament) Joint Committee on Jobs, Enterprise and Innovation (2013) [‘Creating Policies that Work - Actions to Address Youth and Long-Term Unemployment’](http://www.oireachtas.ie/parliament/media/Creating-Policies-that-Work-Report.pdf)*.* Committee Report.February 2013. [↑](#footnote-ref-14)
15. Eurofound (2011) ‘[Young people and NEETs in Europe: first findings](http://www.eurofound.europa.eu/sites/default/files/ef_files/pubdocs/2011/72/en/2/EF1172EN.pdf).’ February 2012. [↑](#footnote-ref-15)
16. As confirmed by a presentation by Mr. Tony Wilson, Policy Director, Centre for Economic and Social Inclusion to Committee C Members, London, 24 February 2014. [↑](#footnote-ref-16)
17. Bell, D.N.F. and Blanchflower, D.G. (2011) Young People and the Great Recession. *Oxford Review of Economic Policy*, vol. 27 (2), 241-67. [↑](#footnote-ref-17)
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22. Blanchflower, D.B. (2010) The Wellbeing of the Young. Dartmouth College working paper. September. [↑](#footnote-ref-22)
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24. Buckley, P. (2015) [An unbalanced age: effects of youth unemployment on an ageing society](http://dupress.com/articles/effects-of-youth-unemployment-us/). Deloitte *Issues by the numbers.*  [↑](#footnote-ref-24)
25. European Youth Forum (2011) *Youth Unemployment in Europe: A Call for Change.* Brussels: European Youth Forum. [↑](#footnote-ref-25)
26. Kieselbach, T. (2003) Long-Term Unemployment Among Young People: The Risk of Social Exclusion. *American Journal of Community Psychology*, 32 (1/2), 69-76. [↑](#footnote-ref-26)
27. Mascherine, M., Salvatore, L., Meierkord, A. and Jungblut, J.M. (2012) *NEETs: Young people not in employment, education or training. Characteristics, costs and policy responses.* Dublin: Eurofound.  [↑](#footnote-ref-27)
28. Excluding Croatia (which became a Member State on 1 July 2013) and Malta. [↑](#footnote-ref-28)
29. Conversion made using historical rates (October 2012, publication date for the report) available on xe.com. [↑](#footnote-ref-29)
30. Figures taken from Eurostat data base ‘Youth unemployment rate, age group 15-24’ [↑](#footnote-ref-30)
31. PwC (2015) [PwC Young Workers Index: How well are OCED economies developing the economic potential of their young people?](https://www.pwc.at/publikationen/PwC%20Young%20Workers%20Index%20final%20pack.pdf), October 2015. [↑](#footnote-ref-31)
32. See, for example: National Assembly for Wales (2013) *‘*[Young People Not in Education, Employment or Training](http://www.assembly.wales/Research%20Documents/Young%20People%20Not%20in%20Education,%20Employment%20or%20Training%20-%20Research%20paper-11092013-249945/13-062-English.pdf)*’*, September 2013, p. 35. [↑](#footnote-ref-32)
33. According to a presentation by Dr. Dorset to the Committee in the Houses of Parliament, Westminster, on 24 February 2014. [↑](#footnote-ref-33)
34. OCED (2015) [OCED Skills Outlook](http://www.oecd-ilibrary.org/education/oecd-skills-outlook-2015_9789264234178-en), May 2015. [↑](#footnote-ref-34)
35. Apprenticeships are promoted through the UK Commission for Employment and Skills (UKCES) which states that by the end of 2013, 26,800 people started apprenticeships and 14,400 secured work placements. A [guide to the UKCES](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/363789/14.10.07._Guide_to_UKCES_Autumn_2014_V8_FOR_WEB.pdf) was published in autumn 2014. [↑](#footnote-ref-35)
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37. Department of Education and Skills - Ireland (2013) [Review of Apprenticeship Training in Ireland.](https://www.education.ie/en/Publications/Policy-Reports/Review-of-Apprenticeship-Training-in-Ireland.pdf) December 2013. [↑](#footnote-ref-37)
38. Nottingham plans a package of measures to increase skills and reduce unemployment, including an apprenticeship hub which will create up to 1,000 apprenticeships in and around the Creative Quarter; a Youth Employment Hub which will help 16-24 year olds find jobs in Nottingham and reduce youth unemployment by 25% over 4 years; a scheme to get businesses into schools to improve enterprise education; and a pilot for adult and community learning. [↑](#footnote-ref-38)
39. Notably, the Irish Business and Employers Confederation (IBEC), the Irish Congress of Trade Unions (ICTU) and the Irish Small Mediums Enterprises Association (ISME) in their meeting with the Committee on 2 November 2015. [↑](#footnote-ref-39)
40. As indicated by the Irish Congress of Trade Unions (ICTU) in its presentation to the Committee, 2 November 2015. [↑](#footnote-ref-40)
41. According to a presentation to the Committee by the Department of Social Protection, 2 November 2015. [↑](#footnote-ref-41)
42. OCED (2015) [OCED Skills Outlook](http://www.oecd-ilibrary.org/education/oecd-skills-outlook-2015_9789264234178-en)*,* May 2015. [↑](#footnote-ref-42)
43. *Ibid,* Figure 4.7, p. 85-56. [↑](#footnote-ref-43)
44. *Ibid*. [↑](#footnote-ref-44)
45. The Commission is a publicly funded, industry-led organisation that offers guidance on skills and employment issues in the UK. UCES is led by 26 commissioners who are CEOs from large and small businesses, employment advisers and trade union representatives from across the UK. The Commission provides personal and business advice to develop a workforce that can compete internationally by among other things helping employers invest in their own employee’s skills. For a list of Commissioners, see: <https://www.gov.uk/government/organisations/uk-commission-for-employment-and-skills/about/our-governance> [↑](#footnote-ref-45)
46. By the end of 2013, the UKCES Growth and Innovation Fund (GIF) and Employer Investment Fund (EIF) had helped 7,600 people into work, 26,800 people to start apprenticeships and 14,400 people to secure work placements. [↑](#footnote-ref-46)
47. Irish Small and Medium Enterprises Association (ISME) presentation to the Committee, 2 November 2015. [↑](#footnote-ref-47)
48. Vogel, Peter (2015) *Generation Jobless: Turning the youth unemployment crisis into opportunity.* [↑](#footnote-ref-48)
49. European Commission (2012), “*Entrepreneurship in the EU and beyond”,* Flash Eurobarometer, No. 354. [↑](#footnote-ref-49)
50. Notably, this is an employment creation measure employed in Denmark and Sweden. [↑](#footnote-ref-50)
51. This [Framework](http://gov.wales/topics/educationandskills/skillsandtraining/youthengagement/?lang=en) was published in October 2013 with the overarching goal of reducing the numbers of young people who are NEET through corrective and preventive measures. The specific goals of the Framework are to: (a) identify young people most at risk of disengagement (b) provide better brokerage and coordination of support (c) provide stronger tracking and transition of young people through the system (d) ensure provision meets the needs of young people (e) strengthen employability skills and opportunities for employment and (f) provide greater accountability for better outcomes for young people. [↑](#footnote-ref-51)
52. Welsh Government (2015) ‘[Youth Engagement and Progression Framework – Quarterly Newsletter’](http://www.cwvys.org.uk/wp-content/uploads/2015/04/YOUTH-ENGAGEMENT-AND-PROGRESSION-FRAMEWORK-MARCH-2015-NEWSLETTER-PDF.pdf)*,* March 2015. [↑](#footnote-ref-52)
53. OCED (2015) [OCED Skills Outlook](http://www.oecd-ilibrary.org/education/oecd-skills-outlook-2015_9789264234178-en), May 2015, p.104. [↑](#footnote-ref-53)
54. Cominetti, Sissons and Jones (2013) *‘Beyond the Business case: the employer’s role in tackling youth unemployment’*. The Work Foundation, July 2013. [↑](#footnote-ref-54)
55. OCED (2015) [OCED Skills Outlook](http://www.oecd-ilibrary.org/education/oecd-skills-outlook-2015_9789264234178-en), May 2015, p. 114. [↑](#footnote-ref-55)
56. OCED (2015) [OCED Skills Outlook](http://www.oecd-ilibrary.org/education/oecd-skills-outlook-2015_9789264234178-en), May 2015, p. 44. [↑](#footnote-ref-56)
57. Written submission from Youthlink Scotland to the Committee, 26 October 2015. [↑](#footnote-ref-57)
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60. UK Department for Business, Innovation and Skills/Department for Work and Pensions (2014*)* [‘£170 million to help young people find jobs’](file:///\\oireachtas.local\dfs\Section\Library\03-10%20RESEARCH%20&%20INFORMATION%20SERVICES\Committee%20Research\2015\BIPA\Briefing%20Paper\.%20%20https:\www.gov.uk\government\news\170-million-to-help-young-people-find-jobs), 16 April 2014. [↑](#footnote-ref-60)
61. European Commission, Regional Policy (InfoRegion) – [Cohesion Policy Data](https://cohesiondata.ec.europa.eu/). [↑](#footnote-ref-61)
62. European Commission / DG Employment, Social Affairs & Inclusion – [ESF Budget by Country 2014-2020](http://ec.europa.eu/esf/main.jsp?catId=443&langId=en). [↑](#footnote-ref-62)
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64. *Ibid*  [↑](#footnote-ref-64)
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