

GENERAL SYNOD

YOUTH UNEMPLOYMENT

A briefing paper from the Mission and Public Affairs Council

Introduction

1. Youth unemployment is one of the most serious challenges facing the country, and is acknowledged as such by all the major political parties, as well as church leaders. The Archbishop of Canterbury recently described youth unemployment as an increasingly “toxic, corrosive problem” and commended the Evening Standard’s campaign to promote apprenticeships for young people in London. The Archbishop of York has also spoken out regularly about youth unemployment, describing it as a “blight on the nation’s conscience” and calling for “resolute action” to tackle the problem.
2. This note draws on a recent report by Church Urban Fund and Frontier Youth Trust¹. The purpose of that research was to listen to the stories and views of young people with direct experience of unemployment as a basis for considering what further action churches and faith-based voluntary groups could take in response to the issues raised.

The scale of the problem

3. There are currently 1.4 million young people aged 16-24 who are not in employment, education or training (NEET) – nearly 1 in 5 of all young people². Of these, about half have been long-term NEET for a year or more, and are the main focus of policy concern. Some of this group are experiencing long or recurrent spells of unemployment, whilst others have withdrawn altogether from the labour market (and so are not technically unemployed).
4. The number of young people who are NEET has risen by around half a million since 2004, and is at its highest level for two decades. But, this is not just a temporary problem linked to the recent economic crisis. Even when the labour market was buoyant, between 7-9% of young people struggled with the transition from education to work, experiencing long or repeated spells of unemployment or inactivity. This group has remained persistently large over the past decade or more, through a period of sustained economic growth, despite government initiatives to address the problem.

¹ CUF/FYT (2012) I Am One in a Million: Young people's experiences of unemployment (free download from the CUF or FYT websites)

² An alternative statistic that is often quoted is the number of unemployed young people – just under one million (957,000) in Jun-Aug 2012. This includes around 300,000 full-time students who are seeking part-time or holiday jobs, and excludes economically inactive young people who are neither in work nor actively seeking employment.

The impact on young people

5. Research has shown that extended spells of unemployment do long-term damage to young people's employment and earnings potential that persist for at least 20 years, as well as being a huge waste of talent and productivity, costing many billions of pounds in benefits and foregone earnings. Youth unemployment is also associated with higher crime, drug misuse and teenage pregnancy.
6. The unemployed young people who took part in the CUF/FYT research spoke of the deeply negative impact on how they feel about themselves and how they are treated by others. Unemployment is about much more than not having a job; it undermines self-confidence and sense of purpose and, at worst, leads to loss of hope and dignity.

Causes

7. Despite the overall growth in the number of jobs in the economy, a lack of jobs is the primary cause of the *rise* in youth unemployment, especially in more deprived areas. Young people tend to do worse in a recession as employers are reluctant to hire new workers and face stronger competition for 'entry level' jobs from more experienced workers. Also, employment in the retail, hotels and restaurant sector, which employs nearly 40% of all young people has been declining since 2004. This helps explain why youth unemployment was rising well before the recession hit in 2008.
8. However, there is a longer-term structural problem of youth unemployment which is more complex. Young people who are long-term NEET are disproportionately from disadvantaged backgrounds with multiple problems – more likely to have parents with low qualifications; to have low qualifications themselves; to be living in social housing; to be teenage mothers or carers; to be disabled or have learning difficulties; and to have been in care and/or to be ex-offenders. The majority of this group (55%) have no GCSEs at all, compared with 20% of all young people. Many lack the 'soft' skills required by employers, such as self-discipline, reliability, enthusiasm, the ability to work and communicate confidently with others, and complete tasks.
9. The Work Foundation's *Missing Million* research programme suggests two long-term factors that help to explain the high level of structural youth unemployment:
 - First, globalisation and the growth in the knowledge economy have reduced the demand for low skilled workers, disadvantaging those who leave school with few qualifications. The 'entry level' jobs that do exist are mainly in the service sector, often requiring people to be job-ready from day one, which many young people emerging from the education system are not.
 - Secondly, although the education system provides clear 'pathways' for those young people that go to university, the transition from education to employment is much less clear for the other half who leave school at 16 or 18.

Specific issues

10. The ACEVO Commission on Youth Unemployment (chaired by David Miliband)³ identified a particular gap in provision for the most vulnerable 16-17 year olds who have already become disengaged from education before the school leaving age, and are too young to access Job Centre Plus or the Work Programme. Many of the vocational courses available to this group are of limited value⁴, so that young people churn in and out of short courses without forming any real attachment to the labour market and without addressing all the other issues young people face in their lives.
11. The young people who took part in the CUF/FYT research said that they are caught in a vicious cycle whereby they can't get a job without experience, and they can't get the required experience without a job. They want a proper chance to show what they can contribute to prospective employers; specifically they would like more and better quality apprenticeships and work experience placements that develop their skills and offer the real prospect of a job at the end. Research by Demos suggests that when work experience is of good quality, the most disadvantaged young people benefit most. However, in practice work placements are often too short and of poor quality, with young people given little to do. Apprenticeships, though rising in number, are still in short supply; out-of-reach for young people who lack basic qualifications; and of variable quality.⁵
12. The CUF/FYT research highlighted the importance of the emotional, practical and financial support provided by family and friends, helping young people to negotiate what can be a complex and stressful situation. Family and friends are by far the most useful source of information and guidance on education and work. Young people also talked about the benefits of informal contacts in highlighting job opportunities and/or putting in a good word for them to a potential employer.
13. Without this informal support network, young people are at a major disadvantage and can easily become demoralised and disengaged from the labour market. According to a report by Ofsted, many young people have a poor understanding of the kinds of job and educational opportunities available to them and what they need to do to secure these. Young people who are living independently are particularly vulnerable. The proportion of young people living without either parent ranges from one in five in the least deprived areas to nearly one in two in the most deprived areas.
14. Young people's experiences of Job Centres were almost universally negative, according to the CUF/FYT research. Young people said that staff were often rude, did not listen to them

³ Association of Chief Executives of Voluntary Organisations (ACEVO), (2012) Youth unemployment: the crisis we cannot afford

⁴ According to the Wolf Review of vocational education, most employers are looking for general skills: basic numeracy and literacy; 'soft skills', demonstrated by experience; and general intelligence/ability to learn. The vast majority of entry level jobs do not require the highly specific skills taught on many vocational courses.

⁵ The Wolf Review concluded that there was some scope for increasing the quantity and quality of youth apprenticeships in the UK, especially in specific sectors such as construction; but a return to large-scale apprenticeship (in traditional, high-skill, craft-based occupations) is not a realistic goal, because of changes in the structure of the economy, in particular the decline in manufacturing.

or take account of their personal circumstances, and frequently pushed them to apply for unsuitable jobs or attend pointless courses. This does not mean that Job Centres are not working effectively for many of their customers, but they are clearly not working well for a sizeable group of vulnerable young people who are seeking to make their first tentative steps into the labour market.

15. The Work Programme, which was introduced by the Coalition Government in June 2010, is intended to provide this kind of intensive and more individualised support for young people who have been continuously unemployed for an extended period (usually 9 months). It is too early to make judgements about the programme's effectiveness as outcome data has not yet been released. But one concern is that the prime contractors who run the Work Programme on a payment-by-results basis may be 'parking' some of the most vulnerable clients because it is not financially viable to invest the resources needed to help them back into work.

Government responses

16. In November 2011, the Coalition Government published its strategy for reducing the number of young people not in education, training and work⁶. This consists of the Youth Contract, costing £1bn over 3 years, as well as a range of measures aimed at addressing some of the longer-term underlying causes of youth unemployment. The package includes:
 - Providing an extra 250,000 work experience places over the next three years, including the offer of a work experience place for every 18-24 year-old before they enter the Work Programme.
 - Encouraging employers to take on an 18-24 year-old from the Work Programme with 160,000 job subsidies worth up to £2,275.
 - Reforming the apprenticeships programme and providing extra funding for at least 40,000 incentive payments for smaller firms to join the scheme.
 - Funding for charities and private contractors on a payment-by-results basis to help the most disengaged 16-17 year olds back into education, onto an apprenticeship or into sustainable employment.
 - Launching a National Careers Service to provide information, advice and guidance about careers and learning for 18-24 year olds;
 - Reforming vocational education, drawing on the analysis and recommendations in the independent Wolf Review.
17. The Government's strategy recognises that voluntary and community organisations have an important role in helping young people to engage with learning and work. Smaller voluntary organisations are encouraged to help through running, taking part in or hosting various voluntary community-based initiatives, including: Work Clubs, Work Together and Enterprise Clubs.

⁶ H M Government (2011) Building Engagement, Building Futures: Our strategy to maximise the participation of 16-24 year olds in education, training and work.

What can churches do?

18. Given the scale and impact of unemployment on so many young people, it is important for the Church to consider its response at every level, drawing particularly on lessons from the early 1980s and early 1990s when the churches gained considerable experience in responding to the then-high levels of unemployment.
19. Earlier reports, including *Faith in the City* (1985) and *Unemployment and the Future of Work* (1997), focused on what Government should do to address unemployment, and on the Church's responsibility to speak out about the issues from a distinctively Christian perspective. These reports also discussed the potential involvement of churches in local employment schemes, whilst recognising that many churches' energies in Urban Priority Areas were taken up with the struggle to survive.
20. The Church's prophetic role remains important, helping to keep the issue high up the Government's agenda and, on occasion, challenging specific policies that appear not to be in the best interests of young unemployed people. But part of the Church's authority for prophetic ministry comes from its own engagement on the ground.
21. At a local level, just 3% of churches have organised activities specifically to tackle unemployment, according to a survey carried out last year on behalf of the Church Urban Fund (though many more churches are providing informal support to people experiencing unemployment). However, there are some excellent faith-based initiatives, mostly run by para-church organisations, which demonstrate what can be done with the people, buildings and social capital available within the church community. Below are some examples:
 - **SPEAR:** is a six-week church-based employment training programme to support young people into employment, by strengthening life skills, motivation, and job search/interview skills. Launched in 2004, SPEAR has worked with over 1,000 young people across four centres in West London, 75% of whom were still in work or education a year after completing the course. The charity is now working with local churches that share its passion for supporting unemployed young people through a 'franchise' model.
 - **Worth Unlimited:** is a Birmingham-based Christian charity that works with disadvantaged and marginalised young people across the UK. Among other activities, Worth Unlimited have set up a number of social enterprises offering young people the opportunity to undertake a 6-month work placement within a 'real' working environment. Participants gain accredited personal development skills, business skills, and practical training in a specific field, such as bicycle maintenance (Gear Up), landscape gardening (Create Works), and home-baking (Devenishgirl Bakery).
 - **GB Job Clubs:** is a national network of church-based job clubs that are run by volunteers and provide a place for people experiencing unemployment to meet (usually

weekly or fortnightly) to share experiences, exchange skills and get the support they need to return to work.

- **SAFE (Southampton Action For Employment):** is a 5-week programme for people experiencing long-term unemployment. Combining Cognitive Behaviour Therapy with work-search skills, it offers a holistic approach, also addressing other issues affecting people's lives (e.g. relationship problems, housing, health). SAFE has adapted its materials for use with young people, and trains volunteer facilitators to run the programme in local churches.
22. The experience of those who took part in the CUF/FYT research shows that churches can make a significant difference to the lives of young unemployed people. Most of these young people were involved in faith-based projects and talked unprompted about how they had benefited in terms of improved self-confidence; having something positive to do; being encouraged to explore different career options; and opportunities to gain voluntary work experience. Young people valued projects which built strong supportive relationships, rather than a traditional service-delivery model – led by people with real empathy and commitment to the young people they are working with.
 23. A good first step for churches is to listen to the experiences of young unemployed people from local churches and the wider community. Increasing awareness and understanding about youth unemployment is crucial in challenging judgemental attitudes to young people, and in identifying what young people would find most helpful in terms of support from local churches. Churches that may not feel ready or able to embark on a major new initiative can still help, by offering their support (e.g. volunteers, use of premises, financial donations, publicity) to other churches or voluntary organisations already working with marginalised young people.
 24. The CUF/FYT report lists a variety of projects and responses which local churches can deliver. Other examples are highlighted above. The MPA/CUF website, www.how2help.net, launched recently, offers an easy route for local church groups to access the experience and ideas of other church initiatives.
 25. In the 2010 Synod debate on The Big Society, it was observed that a flourishing society needs stronger intermediate institutions to stand between the individual and the state on the one hand and the individual and the market on the other. The church is one of the classic intermediate institutions. With the state and the market still struggling to support our young people into gainful employment, the church has its part to play to mitigate some of the harm done by unemployment and thereby help create a stronger and more resilient society.

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