

# Electing to Tackle Unemployment



## A growing challenge

Unemployment is a growing challenge that has not received the level of attention required to address it. Over the past two years the number of people signing-on the Live Register has increased by 145%. The INOU believes it is not possible to address the crisis facing the public finances without also addressing the unemployment crisis.

The costs of unemployment are not just borne by the State but by local communities and unemployed people themselves and their families. Ireland has had to address the problem of unemployment before and there is a lot of expertise at local, national and European levels that should be harnessed to produce innovative and constructive solutions. It is now crucial that the State at all levels plays its' part in supporting unemployed people to address the issues facing them particularly the loss of income and securing future employment.

## Social Welfare Payments

- The INOU is demanding that there be no further cuts in social welfare payments and related supports, as unemployed people are at considerably higher risk of poverty when compared to others in Irish society.
- The INOU is calling on the Minister for Social and Family Affairs to re-instate the Christmas Bonus.
- At the local level, targets should be set to significantly reduce the average waiting times for new claimants to access either Jobseekers Benefit or Jobseekers Allowance.

## Labour Market

- Given the state of the public finances it is vital that public resources are used as effectively as possible and that unemployed people are matched up with the right employment, education and training option for them.
- Every effort should be made to support job maintenance and ensure that redundancy is the absolute last resort. Shorter working weeks that present people with an opportunity to develop their skills should be given further support. In April's Budget a welcome new initiative was announced entitled "Pilot Training Scheme for Workers on Short Time" however its target of 277 participants is but a start.

## Active Labour Market Programmes

- Active labour market programmes like Community Employment have provided and continue to provide an important access point to the labour market for those who are distant from it including the long-term unemployed, disabled people and lone-parents.
- In the current climate, there is a danger that those who are more vulnerable to socio-economic exclusion will find themselves further marginalised. Maintaining the focus on addressing disadvantage within CE is critical in this regard.

manifesto 2009

## Supporting Employment including self-employment

- A re-designed Back to Work Enterprise Allowance (BTWEA) that gives participants a reasonable level of support and sufficient time to develop their own response to their own unemployment is required.
- Participants should be able to avail of the scheme for at least three years. Prior to April's Budget the scheme ran for four years but this was reduced in the Budget to two years for people who were unemployed for a year and entitled to Jobseekers Allowance.
- Immediate access was also created for people entitled to a Jobseekers Benefit (JSB) or a statutory redundancy payment. This latter group will only be able to access BTWEA for the length of time they would have been on JSB (9 months or a year). Given the scale of the economic downturn it will be very challenging for anyone to get a business off the ground in a year or less.

## Education and Training

- There is nothing more disheartening for unemployed people than to be sent on an education or training programme that has no tangible outcome. It is of vital importance that the current policy focus on up-skilling and re-training is clearly part of Ireland's planned economic and social development. This demands the immediate production of the Implementation Plan for the National Skills Strategy.
- In the meantime, at both the local and national levels education and training providers and policy makers must work more closely with employment services to plan how best to use their resources to ensure the best outcome for unemployed people.
- In the recent Budget, the welfare entitlements of 18 and 19 year olds were reduced to €100 per week. The apparent rationale for this move was to discourage long-term dependency on social welfare payments. The INOU believes that the best way to address this issue is to design and roll-out quality education and training programmes with clear labour market outcomes. The State as the biggest single employer has an active role to play in the provision of employment.

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