



## ***For some, the journey back to work becomes even harder after the Budget***

Many unemployed people quite rightly will be asking what they did on the Government to cause them to cut some vital supports in the recent budget. Young unemployed people will be particularly affected by the decision to cut their welfare payments. The people who will be most affected by this were still at school at the onset of the crisis and were not responsible for the collapse yet they're being made to pay for the failure of others.

At a number of levels the changes announced in the Budget will result in the journey back to work for unemployed people becoming more difficult.

- The decision to cut the Job Seekers Allowance payments for young people (without children) aged 22 – 24 to €100 per week and to €144 per week for those aged 25 will inevitably cause hardship for young unemployed people, and particularly for young unemployed people in vulnerable families and communities. The Government must ensure that every young unemployed person receives a comprehensive employment and entitlement service that guarantees a training place, a place on an employment programme or a job. Until this is a reality for all young unemployed people, payment rates should be maintained.
- The decision to cut the rate for people aged 25 is particularly harsh as measures designed under the proposed Youth Guarantee Scheme will not apply as they fall outside the age range. This decision must be reviewed.
- The additional €20 per week paid to people who are long-term unemployed who participate in a FÁS, VTOS or Youthreach programmes helped cover the cost of transport and other costs associated with participating in the training programmes. The abolition of this payment will result in long-term unemployed people having to absorb these costs from their own much limited resources and will impact on people's ability to take up training opportunities where significant participation costs arise. This decision should be rescinded.
- The ability to keep the medical card for a three year period has played a key role in supporting people who are long-term unemployed, particularly people with children, in making the transition from welfare to work. The decision to change this provision to a GP only Card, coupled with the possibility of people who have returned to work losing their full medical card, is a retrograde step which needs to be reconsidered.
- Getting an apprenticeship can transform a young unemployed person's lifetime opportunities. The decision to transfer the pro-rata Student Contribution from the exchequer to the apprentice will result in a direct cost to the individual of €1,080. This is a huge sum to be found by young people with very limited financial resources. This proposal needs to be reviewed with a view to ensuring that the exchequer continues to make a contribution towards the Student Contribution.