

5.15 Deputy M.R. Higgins of the Minister for Social Security regarding the scale of the unemployment problem in Jersey for those aged under 25:

Will the Minister advise Members of the scale of the under-25 unemployment problem in Jersey and explain what steps, if any, he and his colleagues are taking to ensure that they do not become a lost generation in terms of employment?

Deputy I.J. Gorst of St. Clement (The Minister for Social Security):

Three hundred and ninety one people aged between 16 and 24 were registered with my department as actively seeking work as at the end of December. Considerable effort is being made to assist young people in getting jobs. I am working closely with my colleagues on the Skills Executive and the business community representatives who sit on the Skills Board to address this issue. As Members are aware much fiscal stimulus funding has already been put to very good use to provide an 'Advance to Work' scheme specifically aimed at 16 to 19 year-olds and to provide extra support to Careers Jersey and the employment support services based at Social Security. I have also secured additional funding for 2011 to further expand the employment services offered directly by the department. This project will focus heavily on younger adults, dealing specifically with job seekers aged under-25. Young people aged over 19 can also benefit from the new advance to WorkPlus which was started last year and has already run very successful courses on jobs in administration and retail.

5.15.1 Deputy M.R. Higgins:

Following through, I noted from the written answer that he gave to Deputy Southern that 123 local people found permanent employment through the scheme. Can I ask what has happened to the other 168 and also whether he agrees or has the same confidence that the Minister for Treasury and Resources has that the jobs that are going to be lost in the public sector are going to be made up by new jobs created in the private sector, bearing in mind that wage freezes or depressed wages and depressed spending and higher food and energy prices are likely to be acting counter to growth in jobs?

Deputy I.J. Gorst:

Quite a number of questions there. Those individuals that find work we are pleased for and obviously they move into the employment market. Some individuals within the Advance to Work scheme then find training opportunities with further employers and try out different opportunities perhaps. Some, of course, finish and they are now working directly either with the department or with private agencies to find work as well, one of the reasons why I am putting extra money into my department to allow that work to be much more intensive and to help people to move into work if there are other barriers. The Deputy then went on to ask me about job creation. I am sure he realises that it is not the remit of my department to create jobs but it is the remit of the Economic Development Department to ensure that jobs are created and that there are no barriers to growth or that we as a Government minimise those barriers to growth and encourage jobs creation. Having said that, the Economic Development Department is responsible for the Regulation of Undertakings and Development Law. My Assistant Minister is involved in a very forceful way in the issuing of those licences and ensures that that responsibility of the Economic Development Department works in tandem with my department and those that we have as actively seeking work.

5.15.2 Senator J.L. Perchard:

The Minister spoke about fiscal stimulus funding directed in the area of unemployment and Advance to Work scheme, Skills Executive and Careers Jersey, but does he share my view that the educational system is failing many students who do not go on to university education? I say “failing them” because I have the view that they do not adequately prepare many children for life outside school and the workplace, and will he, along with the Minister for Education, Sport and Culture, undertake a study to establish if there is any statistical link between the unemployment of individuals under the age of 25 and any particular secondary school?

Deputy I.J. Gorst:

I do understand what the questioner was trying to get at. I think if he were to direct that at the Minister for Education, Sport and Culture he would have received a very robust defence of a piece of work that he is doing around vocational courses. In another role I am a governor at one of our secondary schools and we have introduced vocational courses because we recognise that there is an issue here, that the current education, while it is excellently targeted at those of an academic nature, is not so well targeted of those who require something more vocational. The Minister for Education, Sport and Culture is bringing forward a new approach to vocational education. We will be seeing that rolled-out later. Some schools are already doing that and that is a step in the right direction. I am not certain that we will want to get to the point of victimising particular individuals emanating from certain schools, but what we want to do is much more positive and ensure that those individuals that need a vocational approach are allowed to do that and allowed to perhaps step back from a more academic approach and access their full potential in the work place going forward in a way that they do not currently do.

5.15.3 Senator J.L. Perchard:

Just a supplementary, just to correct the Minister, I made no mention of victimisation of any individual; just holding schools to account for their performance. I know the Minister for Education, Sport and Culture has historically defended the position of not holding schools to account. I think perhaps it is time we did.

The Bailiff:

Senator, your question is ...?

Senator J.L. Perchard:

Does the Minister for Social Security agree?

Deputy I.J. Gorst:

Ministers do not always agree. I do understand why the Minister for Education, Sport and Culture has the current view with regard to league tables for secondary schools, and I think that the school that I am a governor of would concur with that particular view, because it is not just the results at the end of the day, it is what we consider to be value added. A catchment area for a particular school will ultimately - whether we like it or not, unless we deal with the social issues in that catchment area - invariably result in a particular level of attainment. That is why we need to look at this vocational approach to ensure that we are taking those individuals perhaps who have suffered disadvantages in their community ensuring that during the time that they are at school they are enabled to overcome those disadvantages and take their place as productive and full members of our community.

5.15.4 Deputy M. Tadier:

Will the Minister confirm that unemployed Jersey youths are able to claim job seekers allowance even if they have never paid a single penny into the system while many who have paid many quarters of contributions but have been here less than 5 years get absolutely nothing and does the Minister think this is equitable?

Deputy I.J. Gorst:

Unfortunately there in that question we had the confusion between tax funded benefits and contributory-based benefits. Individuals who are contributing into the social security fund after 6 months can be entitled to benefits from that fund. That, of course, has got nothing to do with income support. Income support is a tax funded benefit. We do not have something called a job seekers allowance; we have personal components within income support. The questioner is right saying that those individuals coming out of school can be entitled to an adult component of income support, which is just over £90 - nothing to do with contributions. Therefore, the premise of that question is incorrect.

5.15.5 Deputy M. Tadier:

If I can come back, would the Minister agree that the individuals who may be entitled to these benefits or may not be entitled to these benefits have little concern for semantics, and quite clearly somebody who has never paid into the system, whether or not it is a contributory system and who does gain money, even by another name, and somebody who may have been working here 4 years very hard gets made unemployed who does not get any access to money? That is not much solace to them. Therefore, I ask again does the equity - at least the perceived equity - is that a valid position?

[11:15]

Deputy I.J. Gorst:

The eligibility to tax funded benefits does not require one to have paid tax during one's life. One is eligible because of one's income levels or because of one's time of residency upon the Island within the community. That is a decision taken by this Assembly. It is a decision which the week before I said I fully supported.

5.15.6 Deputy G.P. Southern:

Does the Minister have any evidence that the drop in unemployment figures in December of last year was not simply the result of temporary jobs in retail fulfilment at the Post Office and that 2011 will be the year of job growth?

Deputy I.J. Gorst:

As I have been saying for the last 2 years, it is not appropriate to draw conclusions from one month's figures. I am pleased that we saw a reduction in December. I suspect that some of that reduction was, as the questioner hinted at, due to temporary Christmas employment. It would be totally inappropriate to draw a conclusion from one month's figures and I will not do so.

5.15.7 Deputy T.M. Pitman:

It follows on a little from Senator Perchard's question. Is the Minister aware of any research or evidence from his own department, in line with evidence that I received, that part of the problem for young people in this age group not having work is that there is now a reduced opportunity due to our predecessors really undermining other

industries and where they have only got finance which many young people are unsuitable for or do not want because they are not fulfilling and can he work with his other colleagues to rectify this at all?

Deputy I.J. Gorst:

We seem to be touching on every department this morning. Thank you for your leniency. [Laughter]

The Bailiff:

The question was what you were going to do about it. [Laughter]

Deputy I.J. Gorst:

This is quite a complicated area. There is no doubt that we need to have a diversified economy and again the Minister for Economic Development is working on those issues, for one of the reasons that we want a diversified economy is to create opportunities for those who have interests across the employment spectrum. Of course, one of the difficulties that we face if we take the finance industry is that it requires more and more trained and skilled individuals, whereas in the past perhaps it was easier for a 16 year-old or an 18 year-old to leave school and to go into finance. That has become more difficult as finance has become more skilled. It has had to meet more international standards, and that has all been appropriate but it has created difficulties in that area. These are the very reasons that I am putting extra money into employment support within my department to ensure that those individuals that have barriers to finding employment; it might be the quality of their C.V. (curriculum vitae), it might be their appearance when they turn up at interview, it might be about self-confidence and motivation, so these issues need to be addressed as the first barrier to getting into work and I have put money to address those issues.

The Bailiff:

Deputy Higgins, do you wish to ask a final question?

5.15.8 Deputy M.R. Higgins:

Yes, thank you, Sir. It is related to the last one. It is sufficiently different. I think the Minister can give an answer. I would like to know what analysis the Minister has undertaken into the causes of the hard core or long-term unemployment for the under-25s and for others and what are the conclusions of this analysis and what does he see as the solutions?

Deputy I.J. Gorst:

I think I have in my opening question answered what I see as the solutions. The solutions are what is being brought forward now by the Skills Executive and the Skills Board. We are creating new courses. We are creating opportunities to overcome those barriers. We are not alone in struggling with youth unemployment. That does not mean that we should not tackle it and it does not mean that we have not tackled it. We are tackling it and we will continue to tackle it. It is, as I have said, the reason that I have put extra money into that particular area of helping people find work because it is crucially important. I - I suspect like the questioner - do not want to see individuals suffering unemployment in the medium and longer term. We must do all that we can. I am doing that. We are aware of the issues that the questioner has raised and I hope that he will support us in the work and the funding that we are providing.