

**2.9 Senator F. du H. Le Gresley of the Minister for Social Security regarding the long-term unemployed:**

What additional measures, if any, are being put into place to assist the 190 people who have been unemployed and actively seeking work for more than 52 weeks and how many in this group as at 30th April 2011 were aged between 16 and 19 years?

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

Significant resources have been targeted towards assisting this very group, principally through the Skills Executive. At the last count, some £4.3 million of fiscal stimulus funding had been provided to strengthen the career service to provide 160 extra places at Highlands and assist 419 young adults today through the Advance to Work Scheme. In addition, the Social Security Department has invested another £500,000 this year to enhance the employment services available, led by personal advisers. Analysis of the service indicates that the intervention of advisers is having the desired impact, with a good level of customers returning to work after interventions from an adviser. Forty-nine people have returned to work during April, following interaction with this new service, and 87 in May. The department has also been providing an employment-skills strengthening programme, including C.V. (curriculum vitae) workshops, mock interviews and interview skills support. At the end of April 2011, 20 of the total number of long-term unemployed were aged between 16 and 19.

**2.9.1 Senator F. du H. Le Gresley:**

This is a supplementary. Does the Minister have any confidence that the Control of Housing and Work (Jersey) Law, if approved by the States, will help to alleviate the growing problem of long-term unemployment?

**Deputy I.J. Gorst:**

I am not really sure that that falls within my remit. I am doing everything that I can and we are at the Department. We are constantly monitoring unemployment because, although by international standards the I.L.O. (International Labour Organisation) tell us it is around 3 per cent and that is not very much, every person out of a job is of concern to me and I want to see everyone getting into work. Perhaps this question will be better addressed to the Assistant Minister in the Chief Minister's Department.

**2.9.2 The Deputy of St. John:**

Given a large number of foreign nationals arrive in the Island weekly and monthly and get employment more or less straight away - and I have first-hand evidence of 7 young people from off-Island getting employment and therefore they must have a social security card and I.T.I.S. (Income Tax Instalment Scheme) cards - how come we have such a high number of our own local people out of work, when these other people can walk off the boat or off a plane and get employment?

**Deputy I.J. Gorst:**

Unemployment is quite a complex issue. The reasons that people are not in work also can be numerous and each individual must be taken as an individual and helped through the barriers that they have to employment. The Deputy knows that jobs licences are issued by the Population Office, which comes under the remit of the Chief Minister. If he is concerned about particular employees and the licences that they hold, I would suggest that he takes those issues up with the Population Office. They do come forward for renewal every 3 years and perhaps that is the area that he

needs to be addressing. There is no doubt that there is a direct correlation between jobs available and the licences that are issued. My Assistant Minister attends the Migration Advisory Group to outline these very issues and we try to work very closely with them to link the people on our register with those employers saying they require extra licences in the non-local area and we have become much stricter in ensuring that those licences are not extended unnecessarily.

### **2.9.3 Deputy G.P. Southern:**

Does the Minister consider that it is time to move from training for jobs to actual work schemes in order to keep people working during this recession and what discussion has taken place at Ministerial level surrounding this sort of issue?

### **Deputy I.J. Gorst:**

In any scheme that Ministers or the Assembly brings forward, one must be careful about unintended consequences. I think we can say without a doubt that the Advance to Work Scheme is working; people are getting training, they are going into the workplace and they are finding that jobs are being created where they were not necessarily previously. The Deputy and I do disagree. I believe, and have long been a believer (and this is where Senator Shenton is perhaps incorrect) that we should have a youth minimum wage. This Assembly in the past has said it does not want a youth minimum wage; therefore, I have not brought it forward. My personal belief is we should have one because that would help, to some extent, to alleviate some of these issues. Contrary to what Senator Shenton believes, I am acting as directed by the States and not as an individual.

### **Deputy G.P. Southern:**

Will the Minister answer the question about what discussion has taken place at Ministerial level over the possibility of creating work schemes?

### **Deputy I.J. Gorst:**

We have previously considered lots of options: work schemes, wage subsidies, et cetera has been put into that melting pot. As I said, we have also considered a youth minimum wage. As I also said, we have got to be careful of unintended consequences. There is evidence and there is suggestion that perhaps, in doing that, one puts out of work others and employers make decisions around taking on those who are on a subsidised scheme rather than taking on people to whom they would be paying the full rate. So it is a very difficult area and we have to move very carefully but, as I say, the training schemes are working. Advance to Work is working, people are getting into work and the new enhanced Workzone is working because we are getting people into Workzone and that is what the aim of everything that we do should be.

### **2.9.4 Senator P.F. Routier:**

My question has been just touched upon because my question was: does the Minister think the lack of a youth rate exacerbating the situation? Will he now reconsider and really bite the bullet and come back with a youth rate for us to consider again, because there was a wrong decision we made last time?

### **Deputy I.J. Gorst:**

Perhaps the Senator should have a word with his colleague. I am not sure whether I should be acting independently or I should be taking the lead of the States Assembly.

Different Members seem to be directing me in a different direction. I do have a personal view. I have outlined that this morning. The States have outlined and asked me to go away and act in a different direction and that is what I have done, but I am of the opinion that we could help young unemployed people if we were to introduce a youth rate.

**2.9.5 Senator F. du H. Le Gresley:**

I must say that I despair, really, when the Minister tells us that there are 20 people in this group between the ages 16 and 19, which is effectively one class leaving school. Given that the number of long-term unemployed has increased by nearly 60 per cent in the last 12 months, does the Minister consider that we are in danger of developing, particularly for young people, a culture of worklessness and benefit-dependency?

**Deputy I.J. Gorst:**

We have a responsibility in this Assembly not to categorise individuals. Being out of work, I do not believe, is something that people knowingly choose. There might be some of that happening around the edges, but we have to act responsibly and that responsible way is ensuring that our benefits system is appropriate for those individuals. As the Senator knows, I am coming forward with some changes along those lines and they are going to be lodged today. But we also need to encourage these individuals and make sure that they can overcome the barriers that they have to gaining employment.

**The Deputy Bailiff:**

Very well; we come on to question 11, which the Constable of St. Mary will ask of the Chief Minister.