Senedd Cymru	Welsh Parliament
Pwyllgor yr Economi, Seilwaith a Sgiliau	Economy, Infrastructure and Skills Committee
Effeithiau COVID-19: Galwad Agored am dystiolaeth a phrofiadau	Impacts of COVID-19: Open Call for evidence and experiences
EIS(5) COV – 32	
Ymateb gan: Sioned Pearce, Prifysgol Caerdydd	Response from: Sioned Pearce, Cardiff University

Response to Invitation to contribute to the Welsh Government's reconstruction priorities, intended to "help stabilise Wales as we continue to live with Coronavirus, prevent longer-term damage and plan to build a new future"

24th November 2020

## **Dr Sioned Pearce**

Wales Institute of Social and Economic Research and Data (WISERD), Cardiff University

My research is a comparison of devolved policy approaches to youth unemployment and civil society responses.

I would like to reemphasise my appreciation for the hard work and positive steps already taken by the Welsh Government to address the issue of youth unemployment during and preceding the pandemic announced in March this year.

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## **Priorities**

The Welsh Government's commitment to giving everyone the best chance to find and keep decent work with long term prospects is welcomed. As is the proposed work with Trade Unions (which I assume is to ensure employment rights, fair work, a living wage and so on are kept in the foreground). However, specific reference to the two key issues with Kickstart – six months is short term and eligibility is based on Universal Credit receipt (when numbers of eligible young people claiming UC are dropping) – could be addressed more directly. Will the Welsh Government take a wraparound approach similar to the Scottish Youth Guarantee? Or explicitly incentivise businesses for retaining young employees? More detail on this would be welcomed in line with the Welsh Government's overarching commitment to decent and long term prospects.

In addition, learning lessons from <u>Scotland</u>'s Future Policy Silver Award-winning Developing the Young Workforce programme, the Welsh Government could consider developing Jobs Growth Wales to include strategic linking-up between Businesses, Universities and Colleges or incorporating this triage approach into the Economic Resilience Fund's support for businesses.

The focus on disadvantaged groups in relation to (un)employment is also welcomed but could be strengthened through strategic work with civil society organisations. While projects like the Family Link Project are a very worthwhile investment, <u>research</u> has shown that charities and civil society organisations can do more with long term, grant funding to pursue their general charitable objectives, than short term, project funding (given how much time and resources are spent applying, reporting and then trying to re-build links between projects, for example).

Linked to the last point, better and more strategic incorporation of civil society in the new Youth Engagement and Progression Framework would be advantageous to tackling the youth unemployment crisis in Wales in three ways:

- 1. Making the most of the adaptability and responsiveness of small organisations working in youth unemployment on the ground.
- 2. Making the links between civil society work already being done and the aims of the YEPF (as identified by CWVYS Evaluation in 2015).
- 3. Including a more holistic and structural approach to working with young, unemployed people through better referral links between Employment Progression Coordinators and civil society organisations working as a first point of contact for your people who are more distant from the labour market.

The third point above is particularly important given the long-term scarring effects of youth unemployment and negative impacts on future earnings, job satisfaction, health, life satisfaction and susceptibility to depression:

In comparison with other young people, the young unemployed were significantly more likely to feel ashamed, rejected, lost, anxious, insecure, down and depressed, isolated and unloved. They were also significantly less happy with their health, friendships and family life than those in work or studying, much less confident of the future and more likely to say that they had turned to drugs, that they had nothing to look forward to and that their life had no direction. Many reported having suicidal thoughts...' (Bell and Blanchflower 2011:15)

This quote highlights the importance of moving away from a work first model towards supporting young people to overcome problems caused by structural inequalities and problems (poverty, welfare reform, recession and so on).

In the long term, pursuit of devolved powers over social security could allow Wales to take on some of the more compassionate changes seen in Scotland and Norther Ireland – easier access to More Frequent Payments of Universal Credit and Rent Paid Directly to Landlords, for example. It could also counterbalance the Uk government's <u>plan</u> to reverse the Universal Credit and tax credit boost in April 2021. This could go hand in hand with a Welsh move away from the damaging 'work first' labour market model pursued by the UK government. An approach shown to increase labour market precarity and affect long term career prospect for young people and emphasised by removing exemptions from job seeking amongst single parents (and the over 65s).