



Northern Ireland
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The Youth Employment Initiative and NI

1 Introduction

This paper discusses Northern Ireland's eligibility to access support under the Youth Employment Initiative (YEI).

2 The Youth Employment Initiative

The Youth Employment Initiative (YEI) was developed by the European Commission in order to tackle high levels of youth unemployment across the EU, with a particular focus on those who are not in employment, education or training (NEETs).

The European Commission states that:¹

The Youth Employment Initiative would be complementary to other projects undertaken at national level, including those with European Social Fund (ESF) support, with a view to setting up or implementing the youth guarantee schemes, such as reforming the relevant institutions and services.

¹ European Commission, 12 March 2013, Commission proposes rules to make Youth Employment Initiative a reality, <http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=1829&furtherNews=yes>

Of the funding, €3 billion would come from a dedicated Youth Employment budget line complemented by at least €3 billion more from the ESF.

The target population for the initiative is those aged 15-24 who are NEET.²

A number of measures are supported through the YEI including:

- Direct support for high-quality traineeships and apprenticeships;
- Provision of first job experience (placements for at least 6 months);
- Reduction of non-wage labour costs;
- Targeted and well-designed wage and recruitment subsidies (these could for example be delivered through voucher schemes);
- Mobility measures to bring skills and jobs together;
- Start-up support for young entrepreneurs (mentoring and access to finance);
- Quality vocational education and training; and
- Second chance programmes.

In supporting documents regarding the YEI, the Employment, Social Affairs and Inclusion Directorate of the European Commission states:³

The initiative should be primarily focussed on the young people from the regions that need it most – NUTS 2 regions where youth unemployment is higher than 25%. However, in exceptional cases, it might be useful to support people residing in parts of non-eligible regions which also suffer from particularly high youth unemployment levels.

That is why the Commission has proposed some flexibility for the Member States allowing them to spend up to 10% of the resources outside the eligible regions.

In guidance published in May 2014, the UK Government states:⁴

The initiative will target funds at NUTS 2 regions (typically large counties or groups of smaller counties) with youth unemployment rates above 25% in 2012 (based on Eurostat figures published on 22 May 2013).

The UK Government identified five NUTS 2 regions that were eligible under these terms. These are listed below, including the expected level of YEI funding they will receive:⁵

- Inner London - £35.7 million;

² European Commission, 2 April 2013, Youth Employment Initiative Questions and Answers
<http://ec.europa.eu/social/BlobServlet?docId=9968&langId=en>

³ Ibid

⁴ European Social Fund 2014 to 2020: plans, <https://www.gov.uk/government/publications/european-social-fund-2014-to-2020-plans/european-social-fund-2014-to-2020-plans>

⁵ Ibid

- Merseyside - £22.2 million;
- Tees Valley and Durham - £19.8 million;
- West Midlands – £42.2 million; and
- South West Scotland - £38.6 million.

These funds account for at least 90% of the UK allocation.

In regards the 10% flexibility, the UK government has decided to target NUTS 3 areas in England with youth unemployment rates above 30% in 2012.

These areas and the amounts they will receive are:⁶

- Hull - £3.7 million;
- Nottingham - £4.0 million;
- Leicester - £4.1 million; and
- Thurrock - £1.5 million.

The UK government states that:⁷

YEI funding will be handed to the respective Local Enterprise Partnership (LEP) areas, and to extend provision of apprenticeships, work experience placements and youth entrepreneurship programmes amongst other activities. LEP areas may also choose to develop new and innovative youth employment programmes based on their understanding of the local economy.

3 Northern Ireland Eligibility

Northern Ireland is a NUTS II region. However, with a youth unemployment rate of 19.1%⁸ in 2012 it does not reach the qualifying criteria for support under the YEI.

Northern Ireland has five NUTS III regions:

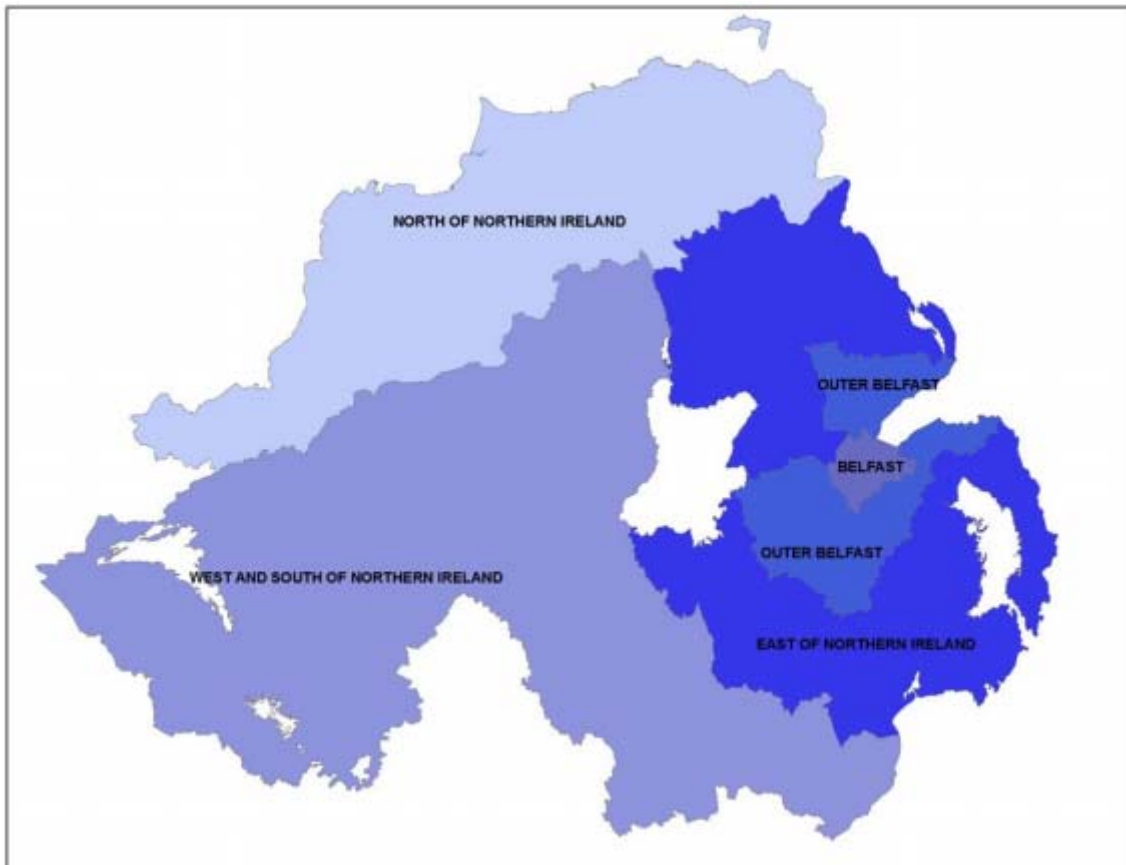
- Belfast;
- East of Northern Ireland;
- North of Northern Ireland;
- West and South of Northern Ireland; and
- Outer Belfast.

The map below shows these areas.

⁶ Gov.UK, 16 April 2014, £170 million to help young people find jobs, <https://www.gov.uk/government/news/170-million-to-help-young-people-find-jobs>

⁷ Ibid

⁸ Department for Finance and Personnel, 18 March 2015, Correspondence on unemployment statistics in NUTS 3 regions



A request was sent to the Department for Finance and Personnel for data on unemployment in the NUTS III regions.

The following information was supplied:⁹

Table 1: Unemployment (16+) in Northern Ireland's NUTS 3 regions from 2006 to 2013¹⁰

	2009		2010		2011		2012		2013	
	000's	%	000's	%	000's	%	000's	%	000's	%
Belfast	11	9.6	9	7.7	11	9.6	15	12.3	8	6.2
Outer Belfast	8	4.3	7	3.6	9	4.8	12	5.8	12	6.3
East of NI	13	5.8	12	5.9	13	5.9	11	5.2	11	5.3
North of NI	12	9.7	18	13.8	13	9.7	14	11.3	18	14
West and South	11	6.2	13	6.7	16	8.1	11	5.3	15	7.2
Total	54	6.7	59	7.1	62	7.3	63	7.3	64	7.4

⁹ It should be noted that the LFS is a sample survey and that estimates produced are subject to sampling error and that in a number of cases, marked with a * on table 2, the sample size is too small for a reliable estimate (less than the minimum quotation level of 6,000 cases).

¹⁰ Department for Finance and Personnel, 18 March 2015, Correspondence on unemployment statistics in NUTS 3 regions

Table 2: Youth Unemployment (16-24) in Northern Ireland's NUTS 3 regions from 2006 to 2013¹¹

	2009		2010		2011		2012		2013	
	000's	%	000's	%	000's	%	000's	%	000's	%
Belfast	*	*	*	*	*	*	*	*	*	*
Outer Belfast	*	*	*	*	*	*	*	*	*	*
East of NI	*	*	6	20.5	*	*	*	*	*	*
North of NI	*	*	*	*	*	*	*	*	8	34.1
West and South	*	*	*	*	6	21.6	*	*	*	*
Total	21	16.8	23	18.6	23	18.6	21	19.1	24	21.3

As can be seen above, Table 2 supplies information on youth unemployment in the NUTS III regions. Unfortunately, the sample sizes for the Labour Force Survey are too small in most cases to provide data.

Only three data points are provided in the table and of these, one is over the 30% threshold – this being the North of NI NUTS III region at 34.1% or 8,000 young people.

However, as the qualifying period for the YEI in the UK was during 2012 it is not possible, based on the data available, to state whether or not any of the NI NUTS III had the same level of youth unemployment as the six UK regions which received funding.

¹¹ Ibid