

RECENT TRENDS IN
YOUTH UNEMPLOYMENT

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*RECENT TRENDS IN YOUTH
UNEMPLOYMENT*

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The views and opinions expressed in this paper are, of course, the sole responsibility of the author.

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Chapter I

INTRODUCTION AND A REVIEW OF PAST LABOUR FORCE TRENDS

This paper attempts to highlight some salient aspects of youth unemployment which have emerged over recent years. The detailed analyses presented mainly relate to the period since 1979, which as we are all too well aware, encompasses a time of severe economic recession, which is still very much with us. Particularly difficult problems arose in the youth labour market during this time and it is hoped that this paper will help to promote a better understanding of the situation as it has evolved and provide some guidance for the future, both in trying to assess the likely shape of future developments and in suggesting directions which policy might follow.

For the purposes of this paper we will take the "youth sector" as referring to all persons aged less than 25 years, which is now a more or less universally accepted definition. Basically this study consists of a number of parts. The rest of this chapter reviews the changes in the labour force over the last two decades with particular reference to the youth population; in Chapter II we analyse particular aspects of the recent trend in youth unemployment while Chapter III contains an examination of the experience of young persons who left the Irish educational system during the last few years. Chapter IV discusses implications arising from our findings and considers some policy aspects which will be of relevance in the years ahead. Chapter V summarises the analyses and the findings.

Before we proceed to an analysis of more recent developments let us first briefly look at how the overall structure of the Irish labour force has evolved over the last twenty years or so. The most recent comprehensive information is that available from the 1981 Census of Population. These data

show that, in the Spring of that year, of the total labour force of 1,283,000, some 368,000 (nearly 29 per cent) were aged under 25 years of whom, in turn, 316,000 were at work and 52,000 unemployed (including first job seekers). It will be noted from Appendix Table A that the sectoral distribution of the total of 316,000 young persons who were at work involved nearly 111,000 (35 per cent) in industrial and building employment, over 73,000 (23 per cent) were working in distribution, business services, etc., while a further 111,000 were employed in the rest of the services sector of which a large part consists of public sector employment. Less than 7 per cent of the total of young persons at work (some 22,000) were in the agricultural sector, which in relative terms is considerably less than the proportion in agriculture in the labour force as a whole.

The total of 52,000 young persons unemployed in the Spring of 1981 was, at that stage, equivalent to an unemployment rate of 14.1 per cent of the youth labour force – significantly higher than the figure of 8.1 per cent relating to the labour force aged 25 years and over. However, it should be remarked that this is not altogether uncharacteristic as relatively high youth employment rates are a more or less constant feature of the labour market in most countries. The 1979 EEC Labour Force Survey shows that across the Community as a whole the unemployment rate for the 15-24 year age group at that time was some 2½ times the overall unemployment rate. This is a significantly higher figure than the corresponding ratio for Ireland (about 1½) and therefore it can be said that at that stage, the youth unemployment situation prevailing here did not appear to be relatively as bad as in Europe generally.

However, it must be borne in mind that a significant part of the reason for the higher *measured* unemployment rate for the youth labour force is due to what can be called structural causes rather than reasons arising from intrinsically greater difficulties which young people may have in finding employment. The labour force aged less than 24 years contains a higher proportion of persons with unskilled occupations since such young people generally leave the educational system at an early stage. Unemployment tends to be more prevalent

among such workers and this in turn tends to raise the overall unemployment rate for the youth labour force *vis-à-vis* than for older workers. The manner in which this particular effect arises (the so-called "cohort" effect) is outlined in more detail in a recent paper by Sexton, Whelan and Dillon (1983). It must also be born in mind that in calculating overall aggregate unemployment rates (such as those quoted above) the number of unemployed is usually expressed as a percentage of the total labour force, including the self employed. Since the latter, who constitute a very sizeable group, are virtually all aged over 25 years this tends to depress the calculated unemployment rate for the older age categories. In fact, if one computes the above unemployment rates on the basis of the employee labour force (which is in some respects a more meaningful exercise since it relates to the segment of the workforce which is actually at risk) the figures which emerge are 14.5 per cent for those aged under 25 years and 11.8 per cent for older workers. This suggests, when considered with the other structural aspects already mentioned, that the difference in the "real" incidence of unemployment between persons in different age groups is not as substantial as conventional unemployment rates appear to indicate. Therefore, more caution should be exercised in presenting and interpreting age differentiated unemployment rates which may reflect structural variations in the labour force to a much greater extent than inherent differences between particular groups in regard to finding employment.

Nevertheless, few would dispute that the early stages of working life are, for many, characterised by a "settling down period" which can often involve a number of job changes and therefore more frequent intervening periods of unemployment. This undoubtedly tends to raise the level of unemployment in the youth labour force. Furthermore, the phenomenal rise in youth unemployment since the beginning of the current recession is a matter which quite clearly cannot be attributed to any changes in the structure of the labour force which occur only very slowly over fairly long periods. The Live Register figures indicate that between January 1980 and July 1983 the number of registered unemployed aged less than 25 years rose by no less than 193 per cent which is more

than double the corresponding increase for older workers (84 per cent). It would, of course, be more appropriate to express these changes in terms of unemployment rates but for this it would be necessary to have an up-to-date age profile of the labour force. It is relevant to remark, however, that between 1979 and 1981 the labour force aged less than 25 years increased at a significantly slower pace than the aggregate work force consisting of older workers (see Table 1). This suggests (on the assumption that this trend has continued) that the above-mentioned increase in youth unemployment actually understates the widening differential with the rest of the labour force. However, this is offset to some extent by virtue of the fact that the Live Register may have overstated the rise in youth unemployment for reasons related to the eligibility conditions governing applications for Unemployment Assistance; we shall elaborate on this matter at a later stage in the paper.

During the course of the current recession the deterioration, in so far as it relates to youth, does not appear to have been as severe in other countries. Over the same recent period as that referred to above the proportionate rise in youth unemployment in the EEC countries has been significantly less, about 70 per cent, and it has increased closely in line with the overall level of unemployment. This is a rather disturbing difference as far as this country is concerned and we shall return to consider this issue in the course of our analysis.

Looking back over the evolution of the youth population over a longer period Table 1 shows that the youth labour force has undergone very considerable changes over recent decades, arising both from the expansion in the youth population and changes in labour force participation. The work force aged less than 25 years grew quite rapidly in the early 1960s — by over 30,000 between 1961 and 1966. All labour force growth in this period was attributable to the youth sector, in fact there was an offsetting decline of some 16,000 among older workers. The expansion in the total labour force effectively stopped in the second half of the 1960s because the increase in the young work force came to a halt, mainly as a result of the introduction of Free Secondary

Table 1: *The population aged 15 years and over, by economic activity and age, 1961-1981 (000's)*

Year	15-24 years							25 years or over						Total						
	At work	Unem- played	Seeking first job	Labour Force	Education	Other Activities	Total	At work	Unem- played	Labour Force	Education	Other Activities	Total	At work	Unem- played	Seeking first job	Labour Force	Education	Other Activities	Total
1961	251.1	10.8	15.8	277.7	77.8	36.3	391.9	766.5	51.7	798.2	1.8	749.3	1549.2	1017.7	42.5	15.8	1076.0	79.6	785.6	1941.1
1966	281.9	11.8	14.4	308.1	100.4	36.2	444.7	755.2	28.5	781.7	1.8	755.3	1538.9	1035.1	40.3	14.4	1089.8	102.2	791.7	1983.6
1971	278.7	14.2	11.2	304.1	134.9	45.9	482.9	751.7	35.5	787.0	2.1	775.2	1564.2	1030.4	49.5	11.2	1091.1	137.0	819.1	2047.1
1975	292.3	25.2	20.0	337.5	150.4	45.2	533.1	777.3	51.2	828.5	2.4	830.2	1661.1	1069.6	76.4	20.0	1166.0	152.8	875.4	2194.2
1977	291.3	28.9	15.3	335.5	175.6	46.9	537.9	792.0	59.8	851.8	3.0	854.1	1708.9	1085.3	88.7	15.3	1187.3	178.6	901.0	2266.8
1979	327.7	19.2	14.0	360.9	180.0	42.8	583.7	822.6	51.2	873.8	2.1	878.7	1754.6	1150.3	70.4	14.0	1234.7	182.1	921.5	2338.3
1981	316.1	33.9	18.1	368.1	199.4	40.9	608.4	834.6	80.6*	915.2	3.7	878.3	1797.2	1150.7	112.9	19.7	1283.3	203.1	919.2	2405.6

Note: The actual years shown relate to years in which either a Census or a Labour Force Survey was taken. The Census based data (for 1961, 1966 and 1971) have been adjusted in order to make them more comparable with the Survey estimates for later years. For details of this adjustment procedure, see Sexton (1981). The 1981 Census data have not been adjusted as these are considered to be generally comparable with the earlier Labour Force Survey figures.

*Including 1,600 persons seeking their first job.

Education in 1967.¹ However, the youth labour force began to expand rapidly in the early 1970s as the emigration of young people declined and when the temporary respite occasioned by the initial introduction of Free Secondary Education came to an end as the early groups who first took advantage of the scheme progressed through the system. When the mid-decade recession struck in 1974/75 the combination of severe economic downturn and an expanding labour force gave rise to then unprecedented levels of youth unemployment. Table 1 shows that the unemployed aged less than 25 years had reached a total of 45,000 by the Spring 1975 which was equivalent to nearly 13½ per cent of the youth labour force. Expansion in the young work force ceased temporarily during the period of this recession and the indications are that many young people either remained in, or re-entered, the educational system during this time.² The expansionary policies pursued during the 1977/79 period caused the labour force to expand rapidly again and youth unemployment to fall significantly, down to 33,000 by 1979, but it did not fall back to pre-recession levels (it was 25,000 in 1971). As we have already indicated, with the onset of the current recession following the second oil price shock in late 1979, both the overall and youth unemployment situation again deteriorated rapidly. The Census figures for April 1981 put the number of persons aged 15 to 24 years who were out of work at that time at 52,000 — 19,000 up on Spring 1979. Since then the situation has deteriorated further; the trend indicated by the Live Register suggests that the current (August 1983) youth unemployment level is of the order of 75,000,³ i.e., over 20 per cent of the labour force aged under 25 years.

1. The effect of this initiative can be seen more clearly if one considers the changes in the younger end of the youth age band. The Census data show that the numbers in the labour force aged 14 to 19 years fell by 16,000 between 1966 and 1971, having risen marginally by some 2,000 in the preceding five year period.

2. This aspect is better illustrated in Sexton and Walsh (1982-Table B) which contains an annual series on the numbers aged 15 years and over in education for the period 1961 to 1980.

3. The 1981 census figure for the number of unemployed persons aged 15 to 24 years, other than first job seekers, was 33,900. Between April 1981 and end-July 1983 the number of persons aged less than 25 years on the Live Register went up from 33,300 to 60,600 but this increase is likely to have included an

Another factor which has to be borne in mind in relation to the current youth employment scene is the increasing numbers of young persons being accommodated on special employment and training schemes, such as the Work Experience Programme, the Community Youth Training Programme, etc. These projects have been in existence for some years but the numbers now on these schemes are such that they are a significant element to be considered in assessing the overall youth situation. Current estimates indicate that the numbers involved at any one time are now of the order of 15,000. The classification of these young persons with regard to their position in the labour force raises further problems. Should they be regarded as "at work" or "unemployed"? Certainly as a result of these schemes the young persons involved have been given work and are paid (or given an allowance) for doing it, but, on the other hand, if these schemes did not exist most of these young persons would be unemployed. Heretofore the approach used in Labour Force Surveys or Censuses has been to regard such persons as at work if they are on schemes with an employment content and as unemployed if they are in full-time training. Obviously these young persons are not included in the Live Register since their involvement in these special activities would clearly render them ineligible for Unemployment Assistance or Unemployment Benefit. It follows, therefore, that the existing unemployment figures understate the difficulties experienced by young people on entering the labour force and in particular understate the deterioration in the youth labour market over the last few years. This is a factor which should be remembered in interpreting the figures presented subsequently in this paper. There is, therefore, a pressing need to have regular figures for the numbers of young persons on special employment and training schemes, along with some means of assess-

increasing number of first job seekers which we estimate approximately at 7,000 at the latter date. The estimated proportional increase, therefore, excluding persons seeking work for the first time, was about 60 per cent and if we apply this to the 1981 census level of 33,900 it suggests a current total of 54,000. Currently the number of first job seekers is likely to total some 20,000 and thus the overall up-to-date level of youth unemployment would appear to be in the region of 75,000.

ing to what extent these persons are included in the various components of the ongoing labour force estimates. Otherwise the statistical scene in regard to measuring youth employment and unemployment is likely to become uncertain and somewhat confused.

Chapter II

THE GENERAL TREND OF UNEMPLOYMENT IN THE YOUTH LABOUR MARKET 1980-1983

General Analysis

In considering how the pattern of unemployment has changed in the youth labour market during the period since early 1980 we will make use of the only available short-term indicators of youth unemployment, namely the age classifications of the Live Register data which were introduced as from January 1980.⁴

In aggregate terms, the number of registered unemployment aged less than 25 years increased by 193 per cent from 20,700 in January 1980 to 60,600 in July 1983 while over the same period the number of older unemployed workers went up by 84 per cent, from 71,400 to over 131,000. In our analysis, however, we wish to trace how the youth unemployment situation has developed throughout the course of the current recession and, therefore, the next logical step is the compilation of an age differentiated seasonally adjusted series for the Live Register, since seasonal variations would tend to obscure the underlying trends in this essentially short-term exercise. However, such a series is not as yet officially published as the estimation of seasonal factors,

4. These age classifications of the registered unemployed are issued in two publications; the standard monthly Live Register statement contains a subdivision showing persons aged less than 25 years distinguishing those on Unemployment Benefit and Unemployment Assistance, while a more detailed age breakdown is compiled quarterly. This latter statement is expanded in April and October into a more comprehensive age by duration of registration analysis. In this study we will make use only of the first mentioned series since we are concentrating mainly on very short term month to month changes over the period concerned.

at this stage, is a rather tentative exercise in view of the relatively short time span over which the data are available. This restriction does not actually preclude one from compiling such a series but the provisional nature of the estimates must be kept in mind in interpreting the results, both in regard to the seasonal factors and the adjusted monthly series for the period since January 1980. Table C of the Appendix contains the relevant seasonally adjusted series which were obtained by applying the X-II Variant of the US Bureau of the Census Method II Additive Seasonal Adjustment Programme to the original Live Register data⁵ for the period January 1980 to December 1982 (the de-seasonalised series for the first seven months of 1983 was obtained by applying projected seasonal factors). The table shows seasonally adjusted series both for persons aged less than 25 years and aged 25 years and over, distinguishing those on Unemployment Assistance (UA) and on Unemployment Benefit (UB). While one should not minimise the tentative nature of the seasonally adjusted series presented, the standard statistical tests associated with the X-II Programme did yield results which indicated that stable seasonality was present, despite the short time span over which the series was calculated.

Before we proceed to study the seasonally adjusted trends, let us first look at the actual seasonal aspects of youth unemployment as indicated by these calculations. The relevant seasonal factors are shown in Table 2 following. The most interesting feature of this table relates to the distinction between young UA and UB registrants. Generally speaking the seasonal factors for young persons on UB follow the overall pattern of seasonality evident for the Live Register as a whole, with substantial positive factors (in the sense that they should be added to the seasonally adjusted series) for the months of December, January and February and correspondingly high negative factors during the Summer and early Autumn. For young persons on UA, however, a radically different picture is evident which is essentially the opposite of that just described. There are relatively

5. Shown in Appendix Table B.

high positive factors in July and August and there is no evidence of any significant seasonal effect during the winter months, which is normally a prominent characteristic of the seasonal pattern in most unemployment series.

These figures suggest that the UA series for persons aged less than 25 years are significantly influenced by the annual exodus from the educational system. This is indicated not only by the noticeable peak in the late summer, particularly in August, but by the manner in which the monthly pattern changes throughout the year. The fairly high seasonal element in the summer tails off rapidly to near zero proportions throughout the remaining months of the year, when one would expect a diminishing influence due to the impact of the outflow from education. The seasonal factors turn negative for some months from March onwards before resuming the abrupt change to the apparent "school leaver" effect in mid-Summer. The above results suggest, therefore, that the outflow from the educational system has more of an impact on the Live Register than had been considered to be the case heretofore. It has generally been assumed that because of the restricted eligibility conditions relatively few school leavers found their way onto the Live Register in the period immediately subsequent to leaving the educational system. This evidence suggests that there is an immediate inflow of fairly significant proportions.⁶

The final column of Table 2 above shows seasonal factors

6. It is also possible to attempt to identify the seasonal pattern among first time entrants to the Live Register by examining the series relating to the category "Unspecified - persons who have never been employed in any industry" in the monthly Industrial Classification of the Live Register. It is significant to note that the numbers contained in this category have increased substantially in recent years. Throughout most of the 1970s the numbers involved were small, of the order of 1,000 to 2,000, even though in 1979 the figure increased to over 3,000. However, from mid-1980 onwards sizeable increases began to emerge in this sub-category and by April 1983 (the most recent date for which figures are available) the number had risen to nearly 12,500. Appendix Table D contains these data for the period from January 1979 to April 1983, shown in seasonally adjusted form. The seasonal factors (for 1982) are given in the final column of the table and it will be noted that they display a similar pattern to that evident for UA registrants aged less than 25 years as given in Table 2. However, the apparent "school leaver" effect during the summer months is not as pronounced as in the UA data for persons aged under 25 years.

Table 2: *Live Register: Seasonal factors for series relating to different age groups*

Month	Less than 25 years			25 years or over			Total Live Register*
	UA	UB	Total	UA	UB	Total	
January	+100	+2,200	+2,300	+700	+3,400	+4,100	+6,400 (+5,800)
February	-100	+1,700	+1,600	+300	+2,500	+2,800	+4,400 (+4,600)
March	-400	+800	+400	+200	+1,700	+1,900	+2,300 (+2,400)
April	-500	+200	-300	+100	+800	+900	+600 (+600)
May	-700	-800	-1,500	-	-1,300	-1,300	-2,800 (-2,200)
June	-200	-1,100	-1,300	-200	-2,000	-2,200	-3,500 (-3,100)
July	+700	-900	-200	-500	-1,600	-2,100	-2,300 (-1,900)
August	+1,000	-1,000	-100	-100	-1,000	-1,100	-1,200 (-1,100)
September	+300	-1,200	-900	-500	-2,800	-3,300	-4,200 (-4,300)
October	-100	-800	-900	-200	-1,800	-2,000	-2,900 (-3,200)
November	-	-300	-300	-	-700	-700	-1,000 (-1,100)
December	-	+1,200	+1,100	+300	+3,000	+3,300	+4,400 (+4,100)

*The figures in parentheses are the seasonal factors derived from the total Live Register figures as officially published which are based on a long retrospective series of data. As indicated in the text, all the seasonally adjusted series presented in this paper are based only on monthly data over the three-year period from January 1980 to December 1982.

derived for the total Live Register based on the short three years time span under discussion and (in parentheses) the corresponding factors derived from the published official series which are based on a much longer period. Broadly speaking there is a good concordance between the two sets of figures and this suggests that our seasonally adjusted series for the age categories of the Register are reasonably accurate and that the seasonal factors will not change substantially according as they are recalculated as further data come to hand.

In describing and interpreting the seasonally adjusted series it is best to use graphical methods. The very different absolute levels involved for the various sub-groups tends to obscure the magnitude of the relative changes and, from the point of view of interpreting trends, it is best to present the data in index number form. Diagrams I and II following contain graphical representations of the Live Register data in this form for the period from January 1980 to July 1983 (based on the data in Appendix Table C) which involve a distinction according to the two broad age categories

under discussion. The base point used in all cases is January 1980 = 100.

Diagram I, which indicates the general trend in youth unemployment and for those aged 25 years and over, illustrates very clearly the sharp differential in the rate of unemployment increase in the two age categories. From the very beginning of the recession, youth unemployment has increased at a consistently faster pace and in recent months (June, July 1983) the rate of increase has accelerated significantly relative to that for older workers.

Diagram II shows separate graphs of the two broad age categories distinguishing those on UB and UA. Looking first at the graphs for those aged under 25 years, it will be noted that there was little or no increase in the numbers on UA early in the recession but in the Autumn of 1980 a significant increase became evident and this rise continued steadily thereafter. While there appeared to have been a slowing down in the rate of increase in youth unemployment in early 1983, this was followed by a particularly sharp escalation in the numbers on UA aged less than 25 years in the months of June and July 1983. From the beginning of the recession the number of UB registrants in the younger age group began to increase rapidly indicating immediate job losses on a significant scale. The pace of the increase for this category eased noticeably in 1981 but rather than indicating any improvement in the situation this would be partly a reflection of the transfer of such persons onto UA according as entitlement to UB became exhausted.⁷ From the beginning of 1982 the rate of increase in the numbers on Unemployment Benefit again began to rise more rapidly indicating a distinct worsening in the economic situation, which continued throughout 1982. However, from early 1983 there is evidence of a further tapering off in the rate of increase for this group. There appears to be a sort of "wave effect" evident here in that a stabilisation or diminution in the rate of increase in the numbers on UB takes

7. Depending on the contribution levels accumulated, an unemployed person can claim Unemployment Benefit for up to a maximum of 390 days; however, if the person is aged less than 18, the maximum duration is 156 days.

Diagram I: *Seasonally adjusted Live Register Jan. 1980-
July 1983, classified by age*

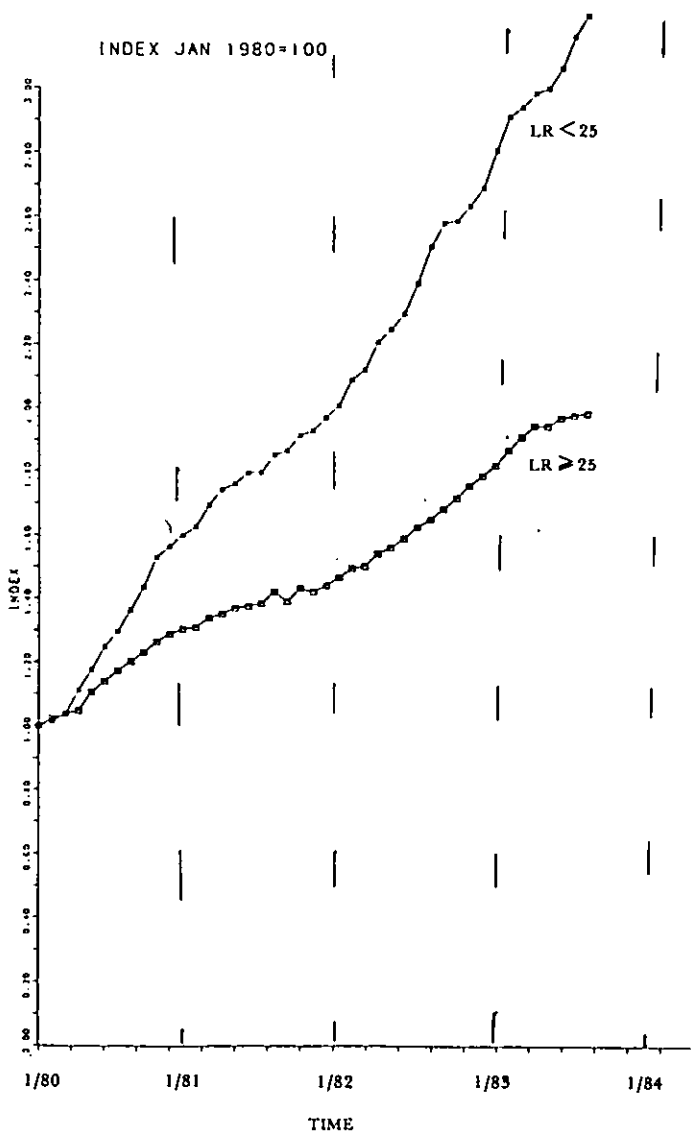
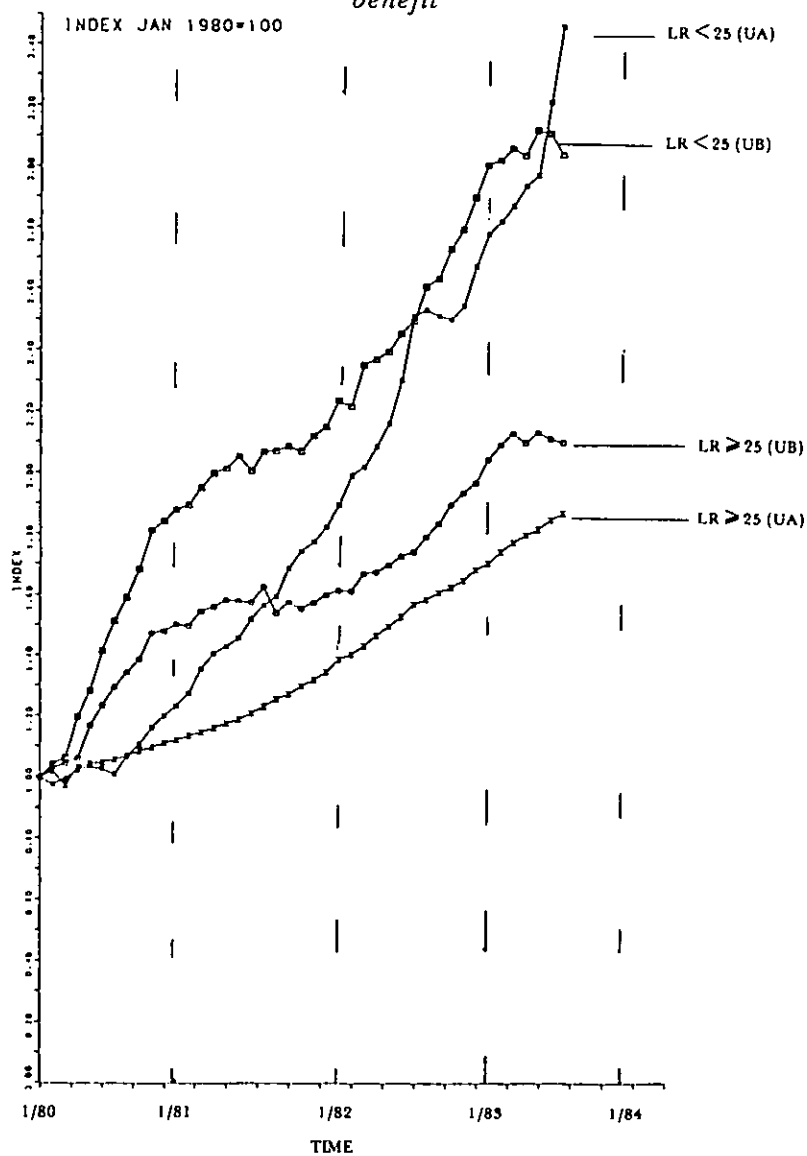


Diagram II: *Seasonally adjusted Live Register Jan. 1980- July 1983, classified by age and distinguishing those on unemployment assistance and unemployment benefit*



place according as successive groups reach the stage where their entitlement runs out and they transfer to UA (or leave the Register altogether if they are not eligible for the latter payments).

The graphs also illustrate the relative changes in unemployment among older workers aged 25 years and over. While the broad pattern of the progression over the three year period concerned is similar to that for younger unemployed persons, there are some notable differences. With regard to persons on UB, following an initial period of sharp increase in 1980, there was a more marked stabilisation throughout the months of 1981 suggesting that the easing in the intensity of the recession during this time provided some significant respite for older workers, but this did not apply to the same extent to their younger counterparts. However, this relative "easing" of the recession in 1981 must be interpreted in terms of a temporary halt to the upward spiral of job loss rather than general movement back into employment. The apparent "stop-go" wave effect already described for young UB registrants also appears to be evident for older persons in this category - it will be noted that there was a further noticeable falling off in the rate of increase in the first half of 1983. The graphs show a more or less steady increase in the number of older workers on UA throughout the entire period under discussion.

It is of interest to consider further the trends relating to young persons on Unemployment Assistance. As we have illustrated already, the seasonal pattern of the UA data suggests that the outflow from the educational system has begun to significantly influence the Live Register and the indications are that this effect may be increasing. There are a number of possible reasons for this. The current recession has had very severe effects on the labour market and has lasted for a very long time (with no significant sign of an abatement at this stage). While in more normal circumstances young people would be prepared to persevere in job search for a certain period, it is likely that there is a limit here and many of them will ultimately resort to the social welfare system to obtain some assistance if they cannot find employment. It is also possible, however, that changes in the

method of assessing eligibility for unemployment payments may be a further factor influencing the observed changes. In the case of young unemployed persons living at home (who would be the great majority), for those who apply for Unemployment Assistance parental earnings are taken into account in assigning means as a notional income in respect of board and lodgings, etc. As from April 1980 the method adopted in assessing such means was altered and simplified, and this has resulted in a situation where it is possible for young persons who were not previously in employment to qualify for UA and receive weekly payments which even if not excessively large, are certainly not altogether trivial.⁸ The current means assessment procedure involves assigning 12½ per cent of overall net household income as means to the UA applicant. If this is less than the standard minimum current rate of Unemployment Assistance then the applicant is entitled to receive the outstanding balance in the form of assistance. Prior to 1980 the assessment involved somewhat more detailed investigations of household circumstances and the eventual result in the great majority of cases was the applicants did not receive any payments, or else were only entitled to relatively negligible amounts.

It is of interest to set out some examples based on assumed household circumstances to see how the existing system works. If we assume that the young applicant's father is earning the average weekly industrial wage then we may calculate the net UA entitlement on the basis of specific assumptions relating to the composition of the household — in this case that it is a two parent household with three other dependent children and that there are no other income earners. The relevant calculations are set out in Appendix Table E from which it can be seen (final column) that the extent of the net UA entitlement for an unemployment young person, in these circumstances, has gone up from a negligible amount in 1980 to over £10 a week in

8. If, of course, the young person had been in insured employment and had accumulated sufficient weekly contributions, he or she would be able to claim Unemployment Benefit.

early 1983. Since then the heavy income tax and PRSI impositions introduced in the 1983 budget have given rise to static or even falling incomes for many persons so that the average UA entitlement as indicated in the table would have risen significantly and would probably emerge at between £13 and £15 if the same calculation were carried out with more current data (the minimum urban rate of Unemployment Assistance was also increased in the 1983 budget – from £26.25 to £28.90). It must also be remembered that in very many households the income would be considerably less than the average industrial wage and in such cases, of course, the corresponding UA entitlements would be higher than those indicated in the table. It is likely, therefore, that these administrative changes have contributed to the increasing number of young persons on the Live Register. It is difficult to put a precise figure on the number of young first job seekers currently on the Live Register – on the basis of our earlier analysis the number could be approaching 10,000. Since these young persons have always been a feature of the labour market, this means that the Register has, to some extent, been overstating the rise in youth unemployment. However, the abstraction of such persons from the current total still implies a serious increase in youth unemployment, in relative terms still far in excess of that for older workers. This suggests that younger people are genuinely encountering severe problems in finding a proper foothold in the labour market and in retaining jobs once they have found employment.

Factors influencing the Rise in Youth Unemployment

The disadvantages which affect young people in the labour market have been studied in many countries over recent years⁹ and many relevant factors have been identified, but it is often difficult to assess the actual importance of the various influences. Employers exhibit a preference for employing or retaining older workers who may have acquired skills or training, rather than be prepared to invest further in

9. See for example the 1980 OECD publication – "Youth Unemployment – the Causes and Consequences".

training young employees. When redundancies become necessary, existing practises generally dictate that those with the least service are let go first ("last in – first out") even though this may be offset to some extent by older workers near to retiring age opting to leave if the redundancy provisions are sufficiently attractive. This latter aspect can, however, have only a very overall limited effect since as a consequence of our changing demographic structure, older workers form a decreasing proportion of the total labour force. A large part of the labour force (some 40 per cent) is now concentrated in the 25 to 44 year age category and by the end of the decade this proportion will have risen to a half. Obviously in this context the relative scope for voluntary withdrawals from the labour force will be considerably limited and there will therefore be increasing pressure on young people in regard to holding existing jobs when redundancies are in prospect. It must also be recognised, however, that decisions as to who should be disemployed, when unfavourable trading conditions force redundancies, may also be influenced by genuine social considerations. All other things being equal, employers would generally let younger workers go in preference to older employees with family responsibilities, a course of action with which one cannot realistically disagree. Another aspect to bear in mind is the diminishing stock of unskilled jobs for young people in the economy – arising from a variety of reasons but principally from technological change and productivity arrangements.¹⁰ The situation is compounded by the fact that, in Ireland, a very high proportion of young people enter the labour market at an early age without any qualification or skill.¹¹ A further factor of even more recent origin which is adversely influencing the youth employment scene

10. Very often, for example, when there is a dual working arrangement involving a skilled or experienced worker and a helper, it is the helper's job that is likely to vanish in a productivity deal.

11. See Sexton, Whelan and Dillon (1983). The estimates from this study indicate that 25 per cent of young people in the 15-25 year age group who are not in full-time education entered the labour market without any educational qualification.

is the drying up of particular areas of job opportunity which were traditionally important for young people – especially in the Public Sector and in Banks, Insurance Companies, etc. This is a matter which we will discuss in more detail in the next chapter.

Another possible influence which needs to be taken into account in considering the trend of youth employment and unemployment is the question of movements in the earnings of young people, both in absolute terms and relation to the trend of earnings for older workers. One can pose the question as to whether the sharp escalation in youth unemployment is due in part to young people being priced out of the labour market. Certainly throughout the 1970s successive National Wage Agreements have involved minimum absolute wage increases designed to give a better deal to the lower paid. While one would not take issue with the basic aim, which was to raise the standards of those on the bottom rung of society, this rather crude mechanism automatically gave above-average increases to many young people who were not in deprived circumstances and who were, in many cases, on incremental pay scales.

It should be noted, however, that the evidence from other countries regarding this matter does not indicate that youth wage differentials have a substantial effect on employment or unemployment in the youth labour force. The greater part of this research (which relates mainly to the United States and Canada) has involved analyses of the labour force effect of increases in statutory minimum wage levels. In a recent overall review of this research in an OECD publication Martin (1983) concluded that increases in the minimum legal wage in North America appear to have had only a modest influence on the youth labour market. For example, the evidence suggests that a 10 per cent increase in the minimum statutory wage in the United States would appear to give rise to an increase of less than one percentage point in the teenage unemployment rate. Martin's study involved an extension of the econometric methods used in analysing US and Canadian data to information for France. In this exercise, which covered the period of the two recent decades, the derived relationships were significantly weaker; he concluded that

“the results suggest that increases in the SMIG (the French statutory minimum wage — ‘Salaire Minimum Interprofessionnel Garanti’) had virtually no discernible impact on the French youth labour market”.

There is not a sufficient range of statistical information available in this country to enable one to carry out similar analyses but some new earnings data have recently become available which do enable one to observe the changes in average earnings for persons in different age groups in certain sectors of the economy. The Surveys of the Structure of Earnings carried out by the CSO in respect of dates in October 1974 and 1979, covering the Distribution, Finance and Insurance sectors,¹² provide information on average earnings according to a wide range of personal characteristics, including age. Appendix Table F contains the actual age differentiated average earnings data for the two years involved. Looking first at the absolute figures for 1979, the Credit category (i.e., Banks, Finance Houses, Building Societies, etc.) stands apart in that average earnings in that sector are significantly higher than in the other sectors distinguished. For the “under 19 years” category, for example, the figures for males indicate an average monthly earning of £345 compared with £245 in Insurance Companies and £197 in Distribution. Similar differences are evident for the older age groups, but here variations in occupational mix would play a greater part in explaining the differences. In all sectors there is a very strong relationship between age and actual earnings; for the youngest age category (less than 19 years), average male earnings when expressed as a proportion of the overall male earnings figure varies between 40 and 50 per cent for the different sectors involved. There is a similar differential evident for females even though the corresponding ratios are higher (since young females form a greater proportion of the female work force and have a greater influence on overall average earnings).

However, our interest centres mainly on the changes over time and with this purpose in mind Table 3 following shows, for each age/sex cell, the ratios of corresponding 1979 and

12. The 1979 Survey also covered the Industrial sector.

Table 3: *The ratio of average weekly earnings in October 1979 to those in October 1974 for employees in firms with 10 or more employees in the Distribution, Credit and Insurance Sectors*

Sector	Under 19 years	19-20 years	21-29 years	30-44 years	45-54 years	55-64 years	65 years and over	Total
<i>Wholesaling</i>								
Males	2.27	2.38	2.23	2.30	2.30	2.22	1.80	2.26
Females	2.39	2.46	2.42	2.44	2.39	2.17	2.25	2.50
<i>Retailing</i>								
Males	2.15	2.51	2.31	2.17	2.26	2.14	1.78	2.19
Females	2.76	2.60	2.64	2.70	2.44	2.71	1.93	2.70
<i>Credit</i>								
Males	2.57	2.61	2.90	2.81	3.35	2.98	2.26	3.06
Females	2.89	2.71	2.98	2.82	3.01	3.76	—	3.16
<i>Insurance</i>								
Males	2.50	2.21	2.15	2.30	2.24	2.14	—	2.18
Females	2.51	2.59	2.50	2.48	2.33	1.92	—	2.52

Sources: See Appendix Table G.

1974 average earnings. The actual ratios are, of course, rather sizeable, the average value is about 2.50 indicating an increase in average earnings of about 150 per cent. However, it must be remembered that prices increased by over 95 per cent during this time so that the real increase in earnings was 28 per cent (i.e., just over 5 per cent per year on average). In general these results do not support the contention that the wages of young employees have increased at a faster rate than those of older workers. The results vary somewhat between sectors but taking a broad view of the data there is no discernible age effect evident. What is emphatically clear, however, is that there has been a significantly faster rate of increase in the average earnings of females over the five year period concerned, in all sectors and for all age categories. This, of course, reflects the considerable advances which were made during this time in eliminating discriminatory practices. Whether this may have had a disincentive employment effect and thus contributed to the current high levels of female unemployment is another matter with wider implications which we will not pursue further here.

We are, of course, concerned here only with earnings in certain sectors of the economy and it is possible that the trends may have been somewhat different in other areas. It is of interest to note, however, that overall trends indicated by the Quarterly Earnings Inquiry for Transportable Goods Industries are in accordance with the movements in average earnings for the sectors included in Table 3.

One can also attempt to make some broad comparisons with Public Sector wage data for the same time span. It is relevant to note, for example, that if one takes the minimum point on the Clerical Assistant scale (which can be taken as being broadly equivalent to the "under 19 years" category) the 1979/1974 wage rate ratio is 2.47 which is generally consistent with the data for the youngest age group in the case of the Distribution sector, Insurance Companies and Credit Institutions. However, during the same period the minimum point on the Higher Executive Officer scale increased at a significantly lower rate, the relevant ratio being 2.11. This is somewhat lower than the general range of figures evident in Table 3 for the 30-44 year category with which the lower end of the HEO scale can be broadly compared. This suggests that in the Public Sector, over recent years, wages may have evolved in a more differentiated manner, perhaps reflecting a stricter, more rigid adherence to the provisions of successive National Wage Agreements.

The absence of any age effect in the above-mentioned data appears to weigh against the suggestion that excessive increases in the earnings of young people over recent years has contributed to the large rise in youth unemployment. Furthermore the studies referred to for other countries seem to indicate that any attempt to introduce such differentials, for example, by attempting to depress youth wages relative to those for older workers, would not have a significant effect on youth employment and unemployment, at least in the private sector. It should also be mentioned that the results of the research referred to are not necessarily symmetrical. These studies involved observing the changes in the level of youth employment and unemployment subsequent to *increases* in the real minimum wage when viewed from a cost perspective. The results indicated only marginal decreases in employment.

What we are considering here is the question of reducing or stabilising youth wages in real terms in the expectation that some employment gains would ensue. In this reverse context the net results might be of an even smaller order of magnitude. In the Public Sector, however, where the usual market forces do not apply, and where the State can bring more influence to bear, there may be more scope for offsetting increased employment against lower wages at entry levels. The overall effects should not necessarily be dismissed as of no consequence in view of the total size of the broad Public Sector¹³ (i.e., some 300,000 employees of whom about 80,000 are under 25 years).

We have already commented on the fact that in other EEC countries not only has there been a somewhat lower rise in youth unemployment over recent years, but this increase has been more or less in line with the rise in unemployment generally. To quote specific figures in the EEC countries (excluding Greece), the number of registered unemployed aged less than 25 years rose from 2.5 million to 4.3 million between January 1980 and June 1983, an increase of 70 per cent (see Appendix Table G); over the same period the number of older workers on the unemployment registers went up by a similar percentage. In Ireland (and it will be noted, in Holland) the deterioration in the youth labour market has been much more severe despite the fact that increasing numbers of young people have been accommodated on special schemes such as the Work Experience Programme, Community Youth Training Programme, etc. Furthermore, during the first six months of 1983, the relative situation here seems to have deteriorated further — youth unemployment continued to climb in this country while in other EEC member states (again with the exception of Holland¹⁴) the situation

13. In this context including commercial semi-state bodies.

14. The fact that Holland also appears to have experienced severe difficulties in the youth labour market is a matter of some interest. In this context it should be mentioned that the 1982 ESRI Survey of Youth Employment and Transition from School to Working Life is in fact an EEC sponsored project which was carried out simultaneously in Ireland and Holland. It will be interesting to see if this study identifies any factors which have contributed to the particularly large rise in youth unemployment in the two countries.

seems to have improved or at least stabilised. A number of European countries (notably France, Belgium and Denmark) appear to have made some progress in recent months in tackling unemployment among young workers (even allowing for any seasonal effects in the data). Overall the level of registered youth unemployment in the Community has declined by 7 per cent between December 1982 and June 1983 but it has continued to increase in this country. It is difficult to pinpoint any specific reason for the significant difference in the youth unemployment trend in Ireland. We can only conclude that the combination of influences arising from the different demographic situation, and the whole complex of labour market practices and operations give rise to a situation where the Irish youth are in a relatively more disadvantageous position. In other European countries, going back for a relatively long period in history, starting with the guilds and apprenticeships, there has always been a greater pre-occupation with training and the problem of transition into the labour force. Germany provides a striking example of this. In general, the whole body of training arrangements and other measures to aid transition tend to be more built into the existing labour market structures and a very significant contribution to this process is made by industry and by employers generally.

Chapter III

THE OUTFLOW FROM THE EDUCATIONAL SYSTEM IN RECENT YEARS

Population and Labour Force Flows in General

In this chapter we concentrate on analysing the labour market experience of persons who have left the educational system over the last few years. This is, of course, essentially a study of flows in contrast to the analyses in Chapters I and II which were concerned with observing net changes in successive stock figures relating to employment, unemployment, etc. Therefore, before we embark on this particular analysis, it is appropriate to explain the concepts underlying such flows and to try and illustrate how these gross movements influence the ongoing evolution of the labour force.

Heretofore virtually all demographic and labour force data have been compiled in the form of stock figures relating to successive points in time. There has been relatively little information made available on gross flows even though a knowledge of these is clearly necessary if one is to fully understand the nature of the changes taking place in the stock aggregates — be they population, employment or unemployment, etc., totals. In recent years, however, particularly on the international scene, there has been an increasing interest in the question of population and labour force flows, prompted no doubt by the very significant changes which have taken place in relation to labour force expansion, escalation of unemployment, etc., — changes which clearly arose because of greatly increased inflows and outflows about which very little was known.

There has also been a tendency to look upon various stock figures as continuously comprising essentially the same individuals or elements even though the true situation may be

quite different. In this regard it is of interest to refer to recently published new CSO data on gross movements onto and off the Live Register which show that, in general terms, some 13,000 persons enter and leave the register each month. It is clear, therefore, that over a number of months (keeping in mind the existence of repeat movements on an individual basis) the extent of turnover among persons on the register must be quite substantial. For the labour force as a whole similar considerations apply. Large numbers of persons enter and leave the labour market every year arising from the outflow from the educational system, retirements, married women leaving and re-entering the labour market, etc. While this chapter is mainly concerned with the outflow from education, it is necessary first to consider the broad complex of all flows associated with the labour force in order to see the various elements in a proper perspective.

As we have already indicated, statistical information on gross population and labour force flows is rather sparse but it is possible to compile some estimates which provide at least a broad indication of the overall situation. The series of Labour Force Surveys¹⁵ contain "recall" questions relating to a respondent's situation at a point one year prior to the survey date and this information can be used to put together an overall picture of "changes in state" or "flows" over a year, by relating these data to the respondent's current situation. There are, however, a number of qualifications which have to be borne in mind. In the first place there is evidence (not only here, but in other countries) that "recall" information of this kind is not as accurate as information relating to a current date as Survey respondents appear to have difficulty in remembering the precise details of their situation at earlier periods. Furthermore the information obtained relates only to those persons covered when the survey was taken and obviously cannot reveal any information about persons who left the population or labour force over the retrospective period covered (e.g., by death or emigration), unless separate estimates are made. Also the manner in which the information is collected means that the data can only relate to

15. which were carried out in 1975, 1977, 1979 and 1983.

“flows” or “changes of state” over a period of a year and do not capture short-term (e.g., seasonal) flows into and out of the labour force. However, while short-term flows are clearly of some significance the fact that these data cover only long-term or more enduring movements can be held to be an advantage since the inclusion of sizeable numbers of short-term or seasonal movements could well distort the overall picture and the end result might be more confusing than enlightening.

The relevant information is shown in Appendix Table H which contains a flow matrix based on 1979 Labour Force Survey estimates which indicates gross movements over the period between April 1978 and April 1979 for various broad sectors of the population — i.e., the labour force, the educational sector relating to persons aged over 15 years, persons on home duties, retired, etc. This is essentially a flow system covering the whole population since it is not really appropriate to consider a flow matrix relating solely to the labour force because of the flow interactions with the rest of the population. Furthermore, over any extended period, apart from physical movements it is also necessary to reflect purely demographic changes in state, e.g., movements in age. It should also be noted that the flow matrix in Appendix Table H includes figures for the components not covered by the Labour Force Survey (deaths, emigrants over 1978/79) and for these it was necessary to compile estimates for the numbers who were previously in the 1978 labour force. Details of the various estimation procedures used in compiling this matrix are given in the notes to the table.

Having compiled such a matrix it is then possible to abstract from it the gross flows associated with the labour force as illustrated in Table 4 following. The picture which emerged from these data indicates an annual gross labour force inflow of 75,000 partially offset by an outflow of 44,000, thus resulting in a net estimated increase of 31,000 between April 1978 and April 1979. This net rise is in fact greater than the estimated increase shown in the official annual labour force estimates which indicate that the total workforce rose by 24,000 over the same period. While this difference is of significance it is not of a sufficient order of magnitude to suggest that the estimated flow pattern is seriously in error.

Table 4: *Labour force flows, April 1978 to April 1979*

<i>Flow category</i>	<i>In</i>	<i>Out</i>	<i>Net</i>
		'000	
Education	53	2	+51
Home Duties	10	15	-5
Other Status (mainly retired)	3	12	-9
Deaths	—	8	-8
Migration	10	8	+2
<i>Total</i>	75	44	+31

The gross flow into the labour force from the educational system was very substantial — nearly 53,000 accounting for over 70 per cent of the total inflow. There was a further inflow of some 10,000 from the “home duties” category reflecting mainly the re-entry of married women into working life. However, this was more than offset by a corresponding outflow of 15,000 relating to the same status category, presumably attributable to some women leaving employment on marriage.¹⁶ The category “other status” relates mainly to retired persons and in this case there was a fairly sizeable exodus of 12,000 which was balanced to some extent by a small inflow of about 3,000. The estimates show that deaths accounted for a further 8,000 exits from the Irish labour force during 1978/79 and the gross migratory outflow was of a similar order of magnitude. However, in the case of migration there was also a corresponding inflow of about 10,000 so that the net effect of external migration on labour force change was a small increase.

In view of the large increases which have taken place in the female labour force in recent years it is rather surprising at first sight to note a net negative influence on the labour market as a result of the flows relating to the “home duties” category. However, it must be borne in mind that the flow analysis

16. Or perhaps subsequently on the birth of a first child.

presented only monitors *actual movements* into and out of the labour force (i.e., actual re-entries and exits) while in fact the great bulk of the increase in the stock of married women in the labour force has arisen due to an increasing tendency for women to remain in employment on marriage rather than to leave as in earlier years. It is likely, however, that the flow pattern for the "home duties" category as indicated in Table 4 must have changed substantially over the years. One can speculate that if similar information were available for the early 1970s the extent of actual re-entry (inflow) would be of negligible proportions and the outflows would be considerably greater. It must also be borne in mind that the period covered by our flow data (1978/79) was one of considerable economic buoyancy and obviously this would have had some effect on the overall flow pattern. For example, we will subsequently present evidence that the inflow to the labour force from education decreased during the years subsequent to 1979 as the economy went into recession. It is also likely that the flows relating to the "home duties" status would have been affected, but in precisely what manner one can only speculate. In this regard it will be of considerable interest to analyse the corresponding 1982/83 flow data from the 1983 Labour Force Survey when these become available. The summary data given in Table 4 do, however, emphasise the predominant position of the gross inflow from education in influencing the evolution of the Irish labour force and we will now consider various aspects of this flow in more detail.

Flows from Education to the Labour Market

The Data Sources

There is no regular comprehensive survey of persons who leave the educational system¹⁷ but there are individual enquiries which cover important parts of the total outflow

17. The ESRI did, however, carry out in 1982 a once-off comprehensive Survey of Youth Employment and Transition from Education to Working Life based on a sample of 5,900 young persons aged between 15 and 24 years who had left full-time education. For summary first results see Sexton, Walsh and Dillon (1983).

and our subsequent analyses will draw on three such sources:

- (a) The Annual Sample Survey of Second-Level School Leavers carried out by the National Manpower Service (NMS).
- (b)¹⁸ The annual Survey of Early Labour Force Experience of Graduates carried out by the Career Guidance Offices of the Universities, i.e., the constituent colleges of the NUI (including Maynooth) and TCD.
- (c)¹⁸ A similar Annual Survey of Award Recipients for Courses covered by the National Council for Educational Awards (NCEA).

There are, however, certain technical problems associated with the assembly of this statistical material; these are described in Appendix 1. In summary these relate to the question of satisfactorily combining and comparing the results from the different inquiries. For example, the NMS Surveys, which cover the Second Level outflow, are based on personal interviews and include all leavers, whether or not they have obtained a formal educational qualification. The inquiries dealing with Third Level education are conducted on a postal basis and include only graduates or award recipients; persons who leave higher education without an award (i.e., drop-outs) are not covered. Furthermore, there are sections of Higher Education (principally the Dublin Institute of Technology and the Primary Teacher Training Colleges) which are not included as there are no follow-up surveys of the student outflow. In all, our data on the Third Level sector on which our analyses are based, relate to an annual outflow of some 6,000 (of persons who actually leave the educational system); there is an additional outflow of about 5,000 consisting of approximately 2,000 from subsectors not covered and about 3,000 drop-outs. This must be borne in mind in interpreting the figures presented which should be regarded as indicating trends rather than providing a comprehensive picture in absolute terms.

18. Prior to 1982 the results of these surveys were published separately by the various institutions concerned, even though the data for the universities as a whole were also issued in a further joint report. As from 1982, (i.e., relating to persons who graduated, etc., in 1982) the results for all of these surveys are being issued in one global report under the auspices of the HEA. The first such report – "First Destination of Award Recipients in Higher Education (1982)" – has already been published.

The Overall Results

The principal results derived from the sources as described above are given in Table 5 following. This shows annual details of the labour force experience of persons who left the various types of educational institutions covered in the period from 1979 to 1982.

Table 5: The situation of persons who left the Irish educational system in 1979, 1980, 1981 and 1982 at the beginning of the following year

<i>Level and year of leaving</i>	<i>Situation in first half of following year</i>					<i>Total</i>
	<i>At work</i>	<i>Unemployed**</i>	<i>Total entered labour force</i>	<i>Returned to education</i>	<i>Other* activities</i>	
Second level						
1979	38,350	4,650	43,000	17,080	4,050	64,130
1980	34,700	8,450	43,150	18,900	2,650	64,700
1981	27,850	10,700	38,550	18,300	4,250	61,100
1982	24,200	16,100	40,300	18,200	2,700	61,200
Universities						
1979	3,260	270	3,530	2,260	630	6,420
1980	2,900	340	3,240	2,280	600	6,120
1981	3,010	460	3,470	2,260	620	6,360
1982	3,080	590	3,640	2,410	670	6,740
NCEA						
1979	1,250	120	1,380	620	80	2,070
1980	1,300	270	1,570	710	90	2,370
1981	1,400	360	1,760	860	70	2,690
1982	1,190	600	1,790	1,050	90	2,930
Total						
1979	42,860	5,040	47,910	19,960	4,760	72,630
1980	38,900	9,080	47,960	21,890	3,340	73,190
1981	32,260	11,520	43,780	21,420	4,940	70,140
1982	28,470	17,290	45,730	21,660	3,460	70,850

*Including those who emigrated.

**The unemployment totals include persons on special employment and training schemes. Such persons were always identified and classified as unemployed in the NMS Surveys of Second Level Leavers. However, such a distinction was made for the first time in the NCEA Surveys in 1982 and therefore the 1982 unemployment total for this category may not be strictly comparable with corresponding figures for earlier years. It is estimated that the number of NCEA award recipients who were involved in such schemes in early 1983 was about 120. This aspect is not a significant factor in relation to the figures for universities.

The aggregate figures given at the end of the table show that of the total of some 71,000 persons who left or graduated from these institutions during the course of 1982 nearly 28,500 were in employment in Ireland in early 1982, some 17,300 were still without a job and seeking employment, while nearly 22,000 had re-entered the educational system, mainly to pursue further studies. A relatively small number, numbering in total about 3,500 were either engaged in other activities or had emigrated. It will be further noted that nearly 46,000 persons had entered the labour market by the beginning of 1982 and of these nearly 38 per cent were still without work and seeking employment at that time.

Certain qualifications should be kept in mind in interpreting the "gross outflow" figures as given in the table (71,000 in 1982) particularly in the context of those who "return to education". For example, for the universities, graduates with primary degrees and higher degrees are distinguished separately in the relevant surveys and many of the former continue on in education to pursue higher degrees, often within the same institution and without consideration being given to leaving the educational system as a whole at that stage. Essentially such persons do not really "leave" the educational orbit at all. However, the approach used in the different surveys is related to the objectives involved; in this regard both surveys relating to Third Level students are essentially concerned with graduates or award recipients rather than the more broad aggregate of leavers as a whole. In the NMS Survey persons who have reached the terminal stage of Second Level education and subsequently return without any interruption involving other activities (e.g. to achieve a better Leaving Certificate result, or because labour market prospects are poor, etc.) are not treated as "leavers" and are not covered in the survey. Furthermore, as we noted already, the NMS Survey covers persons who leave without having obtained a qualification.

The sharp fall in the numbers of Second Level leavers between 1980 and 1981 seems to indicate a "depressed labour market" effect as there was no substantial alteration in the age structure of the youth population which would give rise to a sudden change of this kind. It is likely that the increasingly poor employment prospects were a significant influence

here; we have already noted that such a phenomenon certainly occurred during the mid-1970s when the total stock of persons aged 15 years and over in the educational system rose sharply during the height of the 1974-76 recession. At this stage up-to-date figures on the numbers in education (i.e., for 1981/82) are not available which would enable us to check whether such an effect has again materialised.

It is clear, however, that the question as to what constitutes a "leaver" from the educational system is not a straightforward matter; there are problems of definition and many grey areas exist. It is not considered appropriate, therefore, to present the analyses in the context of the totality of leavers, particularly in regard to comparing the results for different sectors of education. Generally speaking, the aggregates relating to those who enter the labour market can be more precisely identified and defined and subsequently we will concentrate on examining these particular figures. Indeed, even within the various institutional sectors this is a more appropriate approach as, at the individual level, the fundamental test in regard to obtaining employment is not applied until the person experiences full exposure to the labour market.

Finally, before we proceed to analyse the data from an essentially "labour market" point of view it is of interest to compare broadly the figures for the annual flow from education into the labour force, as identified from the different sources described above, with the corresponding estimates available from the Labour Force Survey as set out in Table 4. We cannot make a direct comparison for the same year since our series based on the surveys of educational institutions go back only as far as 1979/80 while the most recent Labour Force Survey data cover the period 1978/79. However, allowing for this and other factors, the results are remarkably consistent. Table 5 shows that the total inflow into the labour force from the educational institutions covered in 1979/80 was nearly 48,000 and if we add to this a figure of 5,000 to allow for subsectors not covered and Third Level drop-outs, it suggests an aggregate flow of about 53,000 — a figure which is identical with that estimated from the Labour Force Survey for 1978/79. While one should not get carried away in a state of statistical euphoria because of these remarkably con-

sistent results, it does serve to show that the data from both sources provide a reasonable representation of the overall position.

Flows into the Labour Force from Different Educational Sectors

Turning now to the data for the different educational levels, let us first examine the figures for the 1982 outflow, the most recent year for which data for all the various subsectors covered are available. Table 5 shows that of the 45,700 persons who left the particular institutions covered in 1982 and entered the labour market, the great majority, 40,300 were from the Second Level sector, 3,600 were from the universities while nearly 1,800 came from NCEA courses. The unemployment figures reveal quite substantial differences between the various institutional sectors in regard to early labour force experience. At the beginning of 1983 up to 40 per cent¹⁹ of Second Level leavers who entered the labour market were unemployed, as well as 34 per cent of NCEA award recipients and just over 16 per cent of university graduates (see Table 6). There appears to be therefore a strong and clear association between the level of qualification attained and the degree of success in finding employment. Indeed, this aspect is even more evident if one looks closely at the details of published figures from the NMS Surveys. The report dealing with 1982 Second Level leavers reveals that the unemployment rate in the early Summer of 1983 for those who left school without a qualification was 49 per cent, some 10 percentage points higher than the average rate for Second Level leavers as a whole, a phenomenon which has been a disturbing feature of these results in successive surveys. This group accounted for nearly 12 per cent of all 1982 Second Level leavers who entered the labour force.

Generally speaking, the overall unemployment situation as given by the 1982 outflow data was not substantially different for boys or girls. The overall unemployment rate at the begin-

19. As indicated earlier, the NMS Survey was carried out in June 1982 and by that time a greater number of school leavers had gained employment and the rate had fallen, but not substantially, to 39 per cent.

Table 6: *Unemployment rates in the first half of the succeeding year for persons who left the educational system in the years 1979, 1980, 1981 and 1982, by level*

Sex and year	Level			All levels
	Second level	Third level universities	Third level* NCEA	
	<i>Per cent</i>			
Males				
1979	12.0	5.5	8.6	11.4
1980	23.0	8.2	17.9	21.8
1981	27.5	12.4	23.5	26.2
1982	39.2	14.2	32.4	36.7
Females				
1979	9.4	9.7	9.1	9.4
1980	15.3	13.2	15.7	15.2
1981	28.1	14.3	14.0	26.5
1982	40.7	18.7	35.5	39.0
Total				
1979	10.8	7.6	8.7	10.5
1980	19.6	10.5	17.2	18.9
1981	27.8	13.3	20.5	26.3
1982	40.0	16.1	33.5	37.8

*See footnote to Table 5.

ning of 1983 was slightly higher for girls, even though the relative difference between the two rates was somewhat greater for the University Sector (14 per cent for males as against 19 per cent for females).

Let us now take a closer look at the changing pattern of early labour market experience over the period of our study. The numbers entering the labour force decreased during this time, mainly due, as we have already noted, to a fall in the outflow from Second Level. The total number of 1979 leavers who went into the labour market, i.e., who were either at work or seeking employment by early 1980, was nearly 48,000, but this had fallen to under 46,000 in the case of 1982 leavers. This trend has, however, fluctuated significantly. In fact, the total number of entrants to the labour force fell

to 44,000 in 1981/82 and rose again in the following year. A closer examination of the figures in Appendix Table I shows that this sharp reversal is attributable entirely to the female inflow which rose significantly between 1981 and 1982, having fallen in the preceding year. Over the same period the number of girls who "returned to education" fell from 10,500 in 1981 to 8,800 in 1982. We may be observing here the cumulative effect of several years of recession in that the educational system can act as a buffer or a refuge for a limited time. Eventually most young persons have to enter the labour market and survive as best they can.

The overall reduction in the numbers entering the labour market did not, however, significantly ease the general employment situation for school leavers. Over the full period under discussion the number who had gained employment at the beginning of the year after leaving education fell from 43,000 to 28,500 and the numbers unemployed rose from 5,000 to over 17,000. As a result, the unemployment rate among leavers increased fourfold from 10½ per cent for persons who left the system in 1979 to nearly 38 per cent for the 1982 outflow. This overall unemployment trend is, of course, predominantly influenced by the very large size of the Second Level component. However, the relative rise in unemployment among NCEA award recipients was similar, rising from just under 9 per cent in 1979 to nearly 34 per cent in 1982. The increase was significantly lower in the case of university graduates for whom the rate of unemployment roughly doubled (from 7½ per cent to over 16 per cent) over the time span under study.

With regard to male/female differences, girls appear to have experienced more difficulty on entering the labour market in recent years. The overall unemployment rate for 1982 leavers is somewhat higher for girls (39 per cent as against 37 per cent) and the rise in the female unemployment rate over the four year period under discussion has also been greater. It will be noted that there are some significant differences between males and females in individual years in regard to the manner in which unemployment has changed. It is difficult to pinpoint precise reasons for these rather erratic trends; it is likely that they are related to the rapidly

changing pattern of employment opportunities (discussed in the next section) and to the propensity of different groups to remain longer in the educational system.

The above results suggest that the more highly qualified university graduates experience fewer problems on entering the labour market and that, overall, they have not fared quite as badly as other persons leaving the educational system during the course of the current recession. It must be borne in mind, however, that the overall university figures cover an extremely heterogenous group, encompassing many and varied disciplines. A closer look at the data from the universities surveys indicates (see Appendix Table J) widely different degrees of success in finding employment among the various groups involved. For example, the unemployment rate at the beginning of 1983 among the very large group of Arts and Social Science graduates was over 25 per cent; however, this high rate was offset by very low unemployment figures for professional disciplines such as Medicine, Law, Veterinary Science, etc. The figures also indicate that in recent years Engineering graduates have begun to experience more difficulty in finding employment; the unemployment rate for these graduates escalated from a minimal 2 per cent in 1979 to over 16 per cent in the case of the 1982 outflow. The incidence of unemployment among graduates who took the Higher Diploma in Education did not increase dramatically between 1979 and 1981 but it rose very rapidly from 12 per cent to nearly 19 per cent between 1981 and 1982. A further point of interest is that a sizeable and increasing proportion of these graduates (who come mainly from the Arts, Commerce and Science faculties) who actually find employment, are only able to obtain part-time or temporary jobs; this proportion was as high as 45 per cent for persons who graduated with the Higher Diploma in Education in 1982, having risen from just over 32 per cent for those who qualified in 1979.

While the general picture portrayed by our data undoubtedly highlight the greater problems which affect school leavers with lower educational qualifications it is of interest to note that in recent years the incidence of unemployment has increased more rapidly among Second Level leavers with

qualifications. Appendix Table K shows that the unemployment rate (as measured in the early Summer following the year of leaving) for Second Level leavers with Leaving Certificate was nearly five fold higher for the 1982 outflow when compared with those who left in 1979; for those with Intermediate or Group Certificates the rate of unemployment in 1982 was four times that of 1979 while for those who left without any qualification the rate had more than doubled. To put it another way, this means that the proportion of qualified persons among the corp of Second Level unemployed school leavers has been expanding rapidly over recent years. For the 1979 Second Level leavers, for example, the proportion with Leaving Certificates among the unemployed was less than 42 per cent but this had risen to 50 per cent for the 1982 cohort. This strongly suggests that the employment prospects of school leavers have been seriously affected by contradictions in specific forms of employment, particularly clerical and office type employment in banks, insurance companies and in the Public sector where recruitment has been severely curtailed in recent years.

Flows from Education into Different Sectors

In view of the foregoing findings it is of obvious interest to probe further into the area of sectoral or industrial subdivisions of the outflow from education, i.e., which industries, types of business, etc., have absorbed this outflow and how the position has changed in recent years. It is not possible to provide a very detailed subdivision of these flows at the overall aggregate level, as unfortunately the various surveys from which our data have been compiled involve somewhat different sectoral classifications.²⁰ The relevant figures are given in Table 7, which attempts to show a reasonably detailed classification for each institutional sector or level while at the same time combining these into a logical overall subdivision at the aggregate level. It should be noted that for Second Level the figures relate to the early summer period when the

20. As from 1982, however, these sectoral classifications are being harmonised over the various enquiries.

Table 7: Persons who left the educational system in 1979, 1980, 1981 and 1982 and who had found employment by the first half of the following year by sector of employment

Level and year	Agriculture	Industry ⁽¹⁾	Commerce	Banking, Insurance, etc.	Education	Other professions	Public admin.	Other services	Total
Second level ⁽³⁾									
1979	1,700	15,000	9,200	4,000	4,900	4,500	3,400	42,750	
1980	1,900	14,100	7,600	2,900	5,750	3,950	2,700	38,900	
1981	1,800	11,950	7,250	1,950	4,850	1,800	2,650	32,250	
1982	2,000	8,900	6,400	900	4,100	800	3,600	26,600	
Universities ⁽²⁾									
1979		590		150	1,130	960	280	140	3,250
1980		500		170	1,020	860	260	100	2,910
1981		470		170	1,090	920	230	130	3,010
1982		580		210	1,020	970	190	100	3,070
NCEA									
1979	60	650		50			500		1,260
1980	60	600		50			600		1,310
1981	30	760		50			570		1,410
1982	30	580		80			500		1,190
Total									
1979	1,760	16,240		13,400		15,860		47,260	
1980	1,960	15,200		10,720		15,240		43,120	
1981	1,830	13,180		9,420		12,240		36,670	
1982	2,030	10,060		7,590		11,280		30,860	

(1) Including Transportable Goods Industries, Public Utilities, Building etc., Transport and Communications. The totals for the Universities group includes the "Semi-State Bodies" category.

(2) For the Universities categories those who took up employment in the Agricultural sector are included under "Industry".

(3) The employment figures for Second Level relate to the early Summer of the year in question. (See text).

NMS surveys were taken. The total employment figures are, therefore, different from those shown in Table 5 which relate to the situation in January of each year. While this introduces a further element of imprecision in so far as the overall totals are concerned it is not of a significant order of magnitude to distort the global picture and it should not affect an analysis of trends.

Looking first at the overall figures for the 1982 outflow it will be seen that of the 31,000 persons who found employment in the first half of 1983, some 10,000 (33 per cent) found work in the Industrial Sector (including Building and Construction), just under a quarter (7,600) were in Commercial, Financial and Insurance institutions while a further third (11,000) were engaged in the rest of the Services sector, which it should be noted, involves predominantly Public sector employment. It is not possible, however, to distinguish the important Public sector category more precisely at the aggregate level because of the differences in the sectoral classifications. A relatively small number of persons who left the educational system in 1982 (some 2,000) found employment in the Agricultural sector.

The impact of the current recession is particularly evident from the sectoral trends. Generally speaking there has been a substantial fall in the annual intake for nearly all sectoral categories over the period of our study. In overall aggregate terms the annual employment take up of young people fell by no less than 35 per cent (from 47,000 to 31,000) between 1979 and 1982. It fell by 6,000 in the Industrial sector, from 16,000 to 10,000 and by similar amounts in the other two broad sectors distinguished — from 13,500 to 7,600 in the Commerce and Financial sector and from 16,000 to 11,000 in other Services. The decline in recruitment was very severe for second-level leavers in the case of Public Administration and Defence and for the Banks and Insurance sector. In each of these categories the gross annual intake fell from 4,000 or over to less than 1,000 (down by 75 per cent) over the four year period under discussion. The fall in Public sector recruitment is a direct reflection of current government policy in reducing numbers in public service employment and of the manner in which this is being carried out. However, while

the sharp reduction in the intake into Banks and Insurance companies is undoubtedly also recession linked, in all likelihood it also reflects a more fundamental change in the staffing policies of these institutions, partly related to increased productivity arrangements and the introduction of new technology. While one would hope that eventually restrictive action by the government in the area of Public sector employment will ease according as there is an amelioration in the budgetary situation, the trends evident in relation to financial, insurance, etc., enterprises may represent the first indication of a basic change in employment structures. Even though this sector was one of the main sources of employment growth over the past twenty years further employment opportunities in this area are unlikely, even when the general economic situation improves. One notable feature of the 1982 results for Second Level leavers is the rise in the intake into employment for the miscellaneous "Other Services" category. This suggests that young persons may be taking up low paid unstable jobs as a temporary expedient until such time as more substantial employment can be found.

Turning to the University sector Table 7 shows that currently about one-third of university graduates find employment each year in the educational sector (about 1,000 out of 3,000). Indeed, it is clear from these figures that the broad Public sector,²¹ encompassing not only Education but also Public Administration, Defence and Health and other professional activities, provides employment for nearly 60 per cent of the total graduate output from the universities. The results for earlier years indicate that this situation appears to have been a more or less ongoing feature of the labour market situation for those with university qualifications. However, the more recent 1982 data for this sector appear to show the first signs of the effects of the current public expenditure cuts – the intake into Public sector employment has fallen although, rather surprisingly, this has been offset by a sig-

21. As defined in Sexton (1982); this would encompass the Civil Service, Local Authorities, Garda, Army and other non-commercial public sector activities such as Health, Education, Research Institutes, etc. However, commercial Semi-State bodies (such as the ESB, Aer Lingus, CIE, etc.) would not be covered.

nificant rise in the graduate take-up in the Industrial and Building sector.

The figures in Table 7 indicate that about one-half of the annual NCEA output of award recipients find employment in Industry and Building, the remainder entering the broad Services area. In contrast to the universities, the figures for 1982 show a sharp fall in the intake of NCEA award holders in the Industrial sector (down to 580, from 760 in the preceding year) with a less severe drop in the intake in other sectors.

We conclude this chapter on the outflow from education by raising some relevant issues in regard to the general availability of data on this important area. It will be noted from the foregoing that a considerable amount of statistical estimation and manipulation was required in order to try to assemble comprehensive figures on flows between the education and the labour force; the end results are far from perfect, even if they do succeed in highlighting important trends in a reasonably accurate fashion. Against the background of the rapidly changing labour market situation there is obviously a need for better information on the overall outflow from education. Whether this should take the form of a single comprehensive survey embracing all levels of education or involve an extension or co-ordination of existing enquiries is a matter that could be decided by a more detailed examination of the situation (having regard to objectives and questions of practical feasibility). Even if these data were collected by means of a single inquiry there would still be distinct practical advantages if each institutional sector were involved in the information gathering process since the bodies involved (e.g. universities, NCEA, etc) are familiar with the circumstances relating to their own particular leavers, award recipients, etc.

A development of this kind would require an intervention by the government, presumably in the form of a joint initiative from the Departments of Labour and Education.

Chapter IV

SOME IMPLICATIONS ARISING FROM OUR RESULTS AND SOME POLICY CONSIDERATIONS FOR THE FUTURE

So far we have analysed the changing youth labour market and tried to identify the reasons for the changes which have been taking place, particularly in regard to the rapid rise in unemployment. In this chapter we will try to assess the implications for the future arising from some of these changes and suggest some policy approaches which might be considered in order to meet the problems which are likely to emerge. We will first deal with some specific aspects of the changing youth labour market which we have highlighted in our analysis and subsequently consider more general issues such as the question of measures related to youth in the overall context of manpower policy. It is necessary to point out, however, that it is not within the scope of this paper to outline detailed solutions to the various problems. Basically what we are engaged in is a "warning light" exercise which identifies areas where serious problems appear to be emerging and to suggest general directions which policy might follow in order to alleviate the situation. It is obviously not possible to set out detailed remedial measures as this would entail an in-depth consideration of the practical problems of feasibility and the broader implications across the economy as a whole.

Second Level Education

First let us return again to the problems which we have noted in regard to the output from Second Level education. The developments which we have described in the preceding chapter in relation to the drying up of traditional forms of administrative and clerical employment is a particularly worrying feature in the context of providing jobs for future cohorts

of school leavers. As we have already stated some of this decline is attributable to the current recession but there are fairly clear signals that, in the private sector at any rate, these trends may herald the beginning of a fundamental change in employment structures. This, in turn, raises important issues in relation to the current orientation of second level educational courses. One can ask, is the Second Level educational system, by virtue of its structure and mix of subjects and courses, directing young people to forms of employment which are diminishing? Is it sufficiently flexible in allowing persons access to a reasonable range of options in regard to future careers? If there are such defects in the system, what can be done to improve the situation? Before we pass any judgments, however, it is necessary to dispel any notion that the problems of the labour market can be solved by changing the educational system. There is no miraculous mix of courses or subjects which, if introduced, would lead to a situation where the greater part of the student outflow would be quickly absorbed into various forms of employment. It is now a generally accepted view that it is not possible, or desirable, to attempt to plan a restructuring of education or training on the basis of perceived future changes in the labour market. There is a very long lead-in time in effecting changes in education while shifts can occur very rapidly in employment structures and practices. One must also look at the question of education with a wider perspective; its essential purpose is a preparation for life in all its aspects. Education has never justified itself solely on the grounds of the manpower needs of society even though its role in this regard has become the focus of greater attention in recent years. However, this does not mean that one can ignore the need for adaptation in a system which is becoming increasingly out of tune with ongoing developments in the labour market.

In many European countries, in response to the types of problem as outlined, the educational systems are evolving in such a way as to allow greater flexibility in relation to the choice of an occupation or career. There is also a general movement to delay for as long a period as possible any final decision in fixing on a particular career. As a consequence, there is a movement towards a greater integration of general

and vocational education. Certainly, in this context, the Irish Second Level education is, if anything, characterised by its inflexibility. At the end of the primary stage, students are irreversibly streamed into general or vocational education. The former is extremely academic in character (particularly in the second or senior cycle) and is largely geared to directing students towards higher education or administrative employment. The system induces a sense of dependence in that it basically prepares persons for a life of paid employment and does not promote a sense of self reliance which would ultimately encourage young people to become more creative and depend more on their own initiative and skills in making their way in the world. This is not to suggest that our unemployment problems can be solved by having increased numbers of self-employed. Obviously, the scope for promoting such an expansion is limited and one can hardly expect sizeable numbers of young persons to succeed initially in that capacity because of problems of immaturity and inexperience. However, we are now in a critical situation where every possible approach has to be explored, and encouraged, if it presents some scope for alleviating the labour market situation. One possibility would be to introduce further opportunities to take technical or vocational subjects in secondary schools -- not only at the lower cycle but in the senior cycle as well. Obviously any such changes, in terms of the courses included, would need to reflect the rapid pace of change in technology, even though such an initiative should also make it possible to pursue traditional skills such as carpentry, crafts, etc.

It is recognised, of course, that an extension of the secondary schools curriculum in the manner suggested is not something which can be carried out in isolation from the rest of the Second Level educational system. One can ask what would be the effect of such a change on the existing vocational schools which might suffer a downgrading as a result. The latter have traditionally provided educational facilities to the less well-off sections of the community and it would be necessary to avoid a situation where an enhanced or wider range of opportunities provided for some would be at the expense of other less well endowed groups. Even as things stand at

present there is evidence of significant inequities with regard to the manner in which the educational system affects different groups. The 1982 ESRI Survey of Youth Employment and Transition from Education to Working Life²² showed that no less than 25 per cent of the youth population had left the educational system without any formal qualifications -- a phenomenon which was very much more prevalent among children whose parents were from the lower social groups. These wider implications suggest that changes of the kind envisaged would need to be carried out in the context of moving towards a more integrated and comprehensive Second Level educational system.

Heretofore there has not been any great pressure to alter the basic structure of the educational system. For reasons partly related to social and class attitudes, the particular form of education provided in secondary schools has been seen as not only generally satisfactory but largely desirable. For many parents, the basic aspiration for their children was that they should acquire a secure administrative type employment if higher education was not a possibility (because of reasons of cost or ability). However, as time progresses and if unemployment reaches even more serious proportions among qualified Second Level school leavers then attitudes will change and this will in turn create pressure for a reassessment of traditional secondary school education. Over the last twenty years or so the huge expansion in the Public sector and in commercial and service activities have provided an adequate range of job opportunities. In a sense the fact that the secondary school curriculum has been of a rather academic nature was an advantage in finding employment since many of the administrative type jobs on offer required the type of skill or proficiency which was obtained or enhanced in the course of a literary or academic training. In other words, the demands of the labour market and the school curriculum were largely complimentary. This is unlikely to be the case in future years unless there is a reorientation in the Second Level educational system.

22. See Sexton, Whelan and Dillon (1983) "Some Preliminary Results from the 1982 ESRI Survey of Youth Employment and Transition from Education to Working Life," ESRI Seminar, June 1983.

The 1980 *White Paper on Educational Development* indicated the government's intention to set up a Curriculum Development Council which, in addition to including members from the various sectors of education, would also include representatives from industry and the trade unions. More recent statements from the present Minister indicate that this issue is being actively pursued. This is obviously a step in the right direction and the decision to include representatives from outside the educational sector in such work is to be especially welcomed. It is essential that the widest possible range of advice be taken in regard to formulating educational courses in order to take account of the rapidly changing labour market situation. Heretofore measures relating to education, training and other aspects related to early labour force experience have tended to be taken in isolation from one another. There is a need for a greater degree of contact between the various parties involved in order to promote a better understanding of the problems affecting each sector and to assist in the overall process of adaptation.

Higher Education

Turning to the Third Level sector there are also serious implications arising from changes in the labour market. It is inevitable that the present curbs on public expenditure and in particular the wide ranging cuts in the educational sector, will to a significant extent, be translated into reductions in recruitment. Since an exceptionally high percentage of the annual university outflow is absorbed into the Public sector the serious implications for the graduate labour market are obvious. Nor is it likely that any such difficulties will be of a relatively short duration. The severe and deep-rooted nature of our financial problems are such that economic stringency will be the order of the day for many years to come.

Apart from difficulties related to the national finances there are other more long-term developments associated with the educational sector which will lead to diminishing employment opportunities for graduates over the coming years. The period since the late 1960s was rather unique in that there was a very substantial expansion in Second Level education. The number of students rose by nearly 50 per cent from

209,000 in 1970 to 304,000 in 1980 and the number of teachers in the sector (expressed in terms of full-time equivalents) rose at an even faster pace (by 63 per cent) from 12,600 to nearly 21,000 reflecting progress towards smaller class sizes. During the rest of the 1980s not only will there be a very substantial falling off in the overall expansion of Second Level education in terms of numbers of students, it is also unlikely that any significant progress will be made in further reducing average class size; indeed, it is likely in the immediate future that average class sizes may well increase as a consequence of the current expenditure cuts. The 1980 *Government White Paper on Educational Development* projected only a moderate rise of some 30,000 in the number of Second Level students between 1980 and 1990. If we assume that the pupil-teacher ratio remains constant at the 1980 level, this implies that the net increase in the number of Second Level teachers will be less than 2,000 over the full ten-year period, i.e., an average annual increase of less than 200. The annual average gross requirement would, of course, be greater than this but it would obviously fall well short of the 1,000 or so students who take the Higher Diploma in Education each year. We have already noted that an increasing number of secondary teachers are employed on a part-time or temporary basis and the most recent figures relating to the graduate outflow for 1982 indicates a sharp increase in the unemployment rate among persons who qualified in that year with the Higher Diploma qualification.

The foregoing scenario raises the spectre of very serious problems emerging in the graduate labour market in years to come which are likely to result in very high levels of unemployment or emigration on a greatly increased scale. Another possibility (already happening to some extent) is a tendency for graduates to accept lower level jobs which would normally be filled by Second Level school leavers. Since some of the problems to which we refer have their origins in more fundamental or deep-rooted developments in the economy, it highlights the need to assess the Third Level sector from the point of view of its future organisation, and the level and allocation of resources. Any such assessment should focus particularly on those courses of study (Arts, Commerce,

Science, etc.) which largely contribute to the graduate inflow into the Second Level educational system.²³ It should be noted that the rather narrow sectoral base relating to graduate employment opportunities is not something which is unique to Ireland. The situation is similar in many other European countries and some years ago an OECD study²⁴ highlighted this aspect and predicted that serious employment problems were likely to emerge as a result.

It is recognised, of course, that any assessment of the future position of the university sector would have to be considered in the context of its overall position in the economy and in society in general. Third Level education has a vital role in the extension of knowledge and in the development of values and their transmission and dissemination in society as a whole. The importance attributed to these more elevated functions has hitherto meant that the links between higher education and the labour market have been even more tenuous than for other sectors of education. However, this does not preclude the need for basic changes or adaptation in the face of a rapidly altering extra-mural situation, i.e., in this case in the labour market.

The Overall Youth Employment Situation

Turning to the question of the overall employment situation one is immediately confronted with a fundamental but inescapable difficulty in the context of the current Irish labour market situation. The pressure of labour force growth combined with the prospects for sluggish economic expansion, and the financial constraints within which we must operate, dictate that only limited progress can be made in tackling unemployment for many years to come. The labour force is growing at a rate of some 18,000 to 20,000 a year and it is only realistic to recognise that a net job creation achievement

23. We have referred specifically to the relatively large numbers of graduates who take the Higher Diploma in Education each year. However, entry into this course is a choice which is made when one has already obtained a primary degree and it is in relation to this earlier stage that decisions on future numbers of places would have to be taken.

24. "Future Educational Policies in the Changing Social and Economic Context", OECD 1979.

of this order of magnitude is not a possibility in the medium term. On the basis of our analyses this means that youth unemployment will increase substantially over the next few years unless special measures are taken. Increased emigration is, of course, an alternative option even though few (there are some) would actively promote this as a means of relieving the pressure. It should not escape our notice that the net emigration of recent years, even though very small in extent, represents an abrupt change from the pattern of net population inflow during the 1970s. It may well herald the beginning of a period of significant emigration. The possibility of more substantial emigration is more likely later in this decade when the youth population in other European countries begins to fall, thus giving rise to the possibility of a more favourable employment situation in external labour markets. However it is only sensible, and desirable, to proceed on the basis that a solution to our problems must be found inside our own borders.

Given the size of the problem it is unlikely that any measures which are designed to operate in the context of "normal" labour market forces (such as wage restraint, employment subsidies or other schemes dependent on a largely voluntary or spontaneous reaction) could have any significant impact on the situation. It is accepted that if such approaches were even moderately successful (in the sense that worthwhile net increases in employment were achieved) it would represent a desirable approach since there are clear advantages in being able to promote job creation in a proper employment environment. Wage restraint is, of course, a vital necessity if we are to maintain our competitive position but one cannot expect spectacular employment gains here even if a measure of restraint is achieved. The take-up of unemployed workers on schemes involving employment subsidies has not been particularly impressive and it is virtually impossible to ensure that ultimately (even if not immediately) there are not displacement effects — and "windfall" gains for employers who may have been contemplating an expansion in employment in any case. In short, such schemes represent only a tinkering with the problem and at this stage their main purpose is largely cosmetic in that they afford govern-

ment the opportunity to claim that something is actually being done.

The prospect of a further escalation in youth unemployment obviously has serious social as well as economic implications. Already there are signs from virtually every locality in the country of a rising degree of vandalism, drug abuse, petty crime and unsocial behaviour generally, which is likely to worsen if the numbers of idle youth are allowed to increase unchecked. The author has no wish to raise unnecessary alarms or to unduly exaggerate the situation but it has to be recognised that there comes a point when the social and economic fabric of society is significantly threatened. Our problems are compounded by our population structure with a very high proportion of young persons. One hears attempts to calm anxieties on the grounds that youth unemployment and the range of problems that go with it are causing serious difficulties throughout the entire Western hemisphere. However in many of these countries some respite is in the offing as the youth population will begin to fall (and fall rapidly) during the second half of the 1980s. In Ireland, however, current projections indicate that the youth population will go on increasing, (although at a somewhat slower pace than the recent past) even when some allowance is made for increased emigration.

The implications of the above remarks are that measures apart from the normal operation of the labour market are required to deal with the escalation of the youth unemployment problem, i.e., specific direct job creation schemes. Such measures already exist in the form of the Work Experience Programme, the Community Work Training Programme, and other similar schemes. The numbers of young persons involved in these projects have been increasing over the years and are now fairly substantial – in the region of 15,000 participants at any one time. However, the continuing rise in youth unemployment indicates that more needs to be done in the way of extending these schemes and integrating them into an overall programme of youth employment activities. In this regard the proposals recently put forward by the Youth Employment Agency relating to a community managed integrated programme for young people is to be welcomed, particularly in

relation to its emphasis on community involvement since it is only by means of more active participation and effort at local level that any real impact can be made on the problems in question. The Agency's plan involves the setting up of local organisations (Community Training and Employment Consortia – COMTECS) based broadly on local authority areas. These would involve representation from the local authorities, from employers, trade unions, the educational authorities as well as representation from youth groups. The areas of work would involve not only promoting employment for youth but also the problems of transition from education and training (the latter in co-operation with AnCO). It is envisaged that each COMTEC would prepare a programme on the basis of which the YEA would provide finance or other support.

If the basic rationale is to devolve responsibility to localities then it seems a logical next step to suggest that the funding (or the major part of it) for such activities should come from the local community also. It is rightly contended that one of the principal advantages in organising such activities at local level is that the community is in the best position to identify its own particular problems and to devise appropriate measures to meet them. If, in addition, the local community is obliged to pay for these schemes then it should further sharpen the local perception of the problems and help to ensure that the measures adopted are really appropriate. There is an ever-present danger of a sense of lack of accountability when substantial funds from the Central Exchequer are transmitted to local bodies, particularly if they are of a rather loosely knit nature outside of the main state administrative system. If there is a requirement that the local community pay for those programmes then the process of local democracy (or accountability) should induce a greater urgency and responsibility and lead to responses more tailored to local needs. It follows, of course, that local elected representatives would have to be involved in these activities since they have a responsibility to monitor the expenditure of the funds provided by the local community.

It is perhaps necessary to explain in somewhat more detail what is meant by "local funding" in this context. Clearly, one cannot have revenue raising activities for such projects

outside of the existing legally constituted administrative framework. If local funding is to be seriously considered then there is really only one group of local or regional administrative entities which are in a position to carry out such a function and that is the local authorities. One possibility would be to replace the recently introduced property tax, with its anomalous and unworkable provisions involving limits on valuation and income, with a lower rated local property tax on all private dwellings and land, irrespective of income.²⁵ One would hope that a property tax reintroduced in this way, given its stated purpose, would not meet with undue hostility since it would be seen by the local community as a means of dealing with serious local problems, the alleviation of which would be beneficial to all. These proposals would, therefore, involve the local authorities to a significant extent (but in co-operation with local personnel from the National Manpower Service, AnCO, and the Educational Authorities, etc.). It would clearly be necessary to set up local committees very much along the lines of the COMTECS as suggested in the Youth Employment Agency proposals.

While one of the main advantages in proposals such as those outlined above is the degree of flexibility possible at local level, clearly a measure of national co-ordination and control over such schemes would be necessary in order to ensure reasonable uniformity across the country as a whole. This would be called for in such areas as the range of activities involved, the wage rates of participants on special employment schemes, and so on. The type of activities engaged in should, for example, be of such a nature so as to avoid the displacement of other workers. There would also have to be some national direction in order to ensure reasonably uniform compliance across the country as a whole (taking into account the different requirements in various localities); it would be most unsatisfactory if some local authorities marked up substantial achievements while others did virtually nothing. A possible approach here would be to put a statutory obligation on all local authorities to submit plans (updated annually) setting out programmes in relation to activities for counter-

25. It is not being suggested that the basis for valuing property be altered, but that the income and valuation limits be removed.

ing youth unemployment. These would be submitted to the Youth Employment Agency for general approval and subsequently if these plans were deemed to be satisfactory the local authority would be authorised to raise the necessary funds and begin implementation of the various projects. It is not envisaged that the Agency would be involved in detailed supervision but it is obviously the appropriate central body to engage in overall national control and co-ordination under such headings as have been indicated above.

While the range of activities which would emerge from these proposals would not be confined to special employment creation schemes it is inevitable that such activities would figure prominently if any real impact is to be made on the level of youth unemployment. Such schemes have been criticised on the grounds that they provide only a "parking" mechanism for young people, yield only limited experience of the labour market and impart few skills. Certainly the forms of activity involved here cannot always be described as ideal but again it is hoped that with local involvement the various projects would involve a greater degree of variety and relevance. Nor is it necessarily outside the bounds of our imagination or organisational ability to draw up projects that would provide young people with useful experience and some basic training. Already the Community Youth Training Programme is an example where local initiative²⁶ is combined with the resources of the state in providing young people with work experience which involves an element of training. As for the overall relevance of the work that might be carried out, it is the author's view that there is a vast amount of useful and necessary work that can be done in local communities in addition to the work carried out by existing state or local agencies. These relate not only to the environment (which usually springs to mind in such circumstances) but of a welfare or community nature related to assisting the elderly, young mothers with children and in the recreational and sporting areas.

The raising of additional local taxation for youth, etc., pro-

26. The local community must provide the materials, etc.; AnCO arranges for the employment of a full-time supervisor and pays training allowances to the participants.

jects in the manner described obviously raises the question of the relationship with other taxes, particularly the Youth Employment Levy and the new local authority charges for services. Obviously it would be undesirable to add to the growing complexity of the range of existing taxes. If local taxes are to be raised for different purposes then they should be collected as one operation, even though the elements relating to different purposes could be distinguished. A reduction in the Youth Employment Levy should be possible in so far as expenditure on such items as employment creation schemes currently funded from it could be transferred to the new taxation source; it must be remembered, however, that a significant part of the existing levy is currently expended on AnCO training and other activities, many of which existed before the Youth Employment Agency itself was set up. Therefore, in the circumstances envisaged the total elimination of the levy is not a possibility – at least not unless part of the existing revenue is recovered from other taxation sources.

Manpower Policy and its Relevance for the Youth Sector

Finally, let us consider some overall aspects of manpower policy, and its administration, with particular reference to the youth population. There exists a range of state agencies with significant involvement in the manpower and employment area. All government departments clearly have some involvement in matters related to the labour market but those principally concerned are the Departments of Labour, Social Welfare, Public Service (and the Department of Education in so far as the youth area is concerned); among the satellite or semi-state agencies the important bodies are the National Manpower Service, the Youth Employment Agency, AnCO and CERT. While one must obviously have different agencies to carry out particular functions, overall progress on the manpower and employment front is seriously impaired unless there is a comprehensive overall policy blueprint or programme within which all of these bodies can work in reasonable harmony in order to try and achieve common or agreed objectives. This is particularly important in the rather complex area of the youth labour market (and here we are considering

a broad perspective including relevant aspects of education and transition to working life) not only to achieve better and more effective co-ordination in the area itself, but to provide an appropriate overall framework within which all the various components of the labour market can be considered, whether they relate to youth or to other groups.

The fact is that relatively little has been done in the way of overall manpower planning for many years. Considerable progress was made in the 1960s when the rate of expansion in the economy focused attention on the need for action in the manpower area (e.g., relating to the need for training and adaptation) but in recent years the only responses of successive governments to the worsening employment situation has been a series of hastily conceived *ad hoc* measures. One will recall, for example, the Employment Action Team (which spawned a series of youth work programmes which have been operated in an unco-ordinated manner), various forms of special employment subsidies, and the setting up of the Youth Employment Agency itself which, even if it was a very substantial initiative, emerged in a singularly *ad hoc* manner.

Let us, however, focus our attention particularly on the manpower policy problems relating to the youth labour force since that is our primary concern in this paper. In its recently published policy document "A Policy Framework for the Eighties" the Youth Employment Agency lists four main areas which it considers to be of particular importance in the context of the youth labour market. These are:

1. Making a net contribution to the process of job creation.
2. Ensuring that young people have the basic education and training to enable them to find a place in the labour force and to adapt to changing employment circumstances in the future.
3. Creating a safety net which can locate and provide a "second chance" for those for whom the mainstream education and training structures have proved inadequate, and
4. developing a co-ordinated approach by the various manpower agencies to youth issues.

We have, in earlier parts of this paper, already considered some issues under the first two headings mentioned, both in attempting to analyse the situation and in offering some *broad suggestions as to how the problems might be approached.*

The third priority referred to, the problem of young persons entering the labour force with a low level educational achievement, is one which we have touched on in various parts of the paper but which we have not considered in detail. It should be mentioned, however, that this issue is being dealt with in some depth in the 1982 ESRI "Survey of Youth Employment and Transition from Education to Working Life" and the various reports emanating from that source will shed further light on this problem.

The final aspect raised in the Youth Employment Agency document is, of course, relevant to the current discussion and it is appropriate to expand somewhat on this issue. It is clear from a reading of the document that the Agency is conscious of the need for an overall programme within which it can operate. In defining its role, the document significantly states that "the Youth Employment Agency is primarily an instrument of manpower policy". Such a statement has, of course, little meaning unless there is an overall manpower policy which at present does not exist. The document is also conscious of the need for overall co-ordination of the various activities and functions relating to the youth area and states:

It is, therefore, necessary to establish a framework within which the Agency can work with the major training institutions in the provision of services for young people, both as to the programmes and policies to be followed and the funding to be provided for them. . . .

Over time the aim is to move to a situation with all manpower institutions where funding is provided on the basis of programmes agreed with the Agency. It is the only way, rather than on the basis of individual interpretation by each agency of its role and priorities, that real co-ordination and efficient use of resources can be achieved.

This, of course, raises a crucial issue in relation to the institutional arrangements within which the various agencies

are obliged to operate. There has been a growing tendency over the years to set up semi-state bodies to meet a wide range of needs and requirements, not only in the labour area, but across the whole range of government activities. Such developments need not necessarily be disadvantageous if the relevant government Departments subsequently exercised a sufficient degree of overall co-ordination or control, preferably in the context of an overall plan or strategy. However, on the contrary, there has been a tendency for Departments to withdraw into the background and allow their subsidiary executive agencies to make the running in the planning and policy formation process. Undoubtedly the devolution of powers to satellite agencies can be justified in many cases, particularly if commercial aspects are involved, or if it is held that the particular functions would be better executed with more flexible arrangements outside of the rather rigid structures of the Civil Service. However, the stage can be reached where this approach will lead to an excessive fragmentation of responsibility and policy formulation, again something which is accentuated in the absence of an overall central strategy. Such problems are less likely to become acute if the activities of the agency in question are rather specific and do not impinge to any significant extent on the work of other bodies. However, it is a different matter altogether if these activities have wide application and are central to the ongoing business of government itself. In fact, it is a contradiction in terms to set up an independent agency and assign to it responsibilities which involve overall co-ordination and control in a particular area while at the same time leaving it without any statutory powers to carry out such functions. It can be inferred from the Youth Employment Agency's policy document that it foresees problems of this kind in relation to its sphere of activities. In regard to training, for example, the document states that:

AnCO and CERT have their own distinct terms of reference and Boards, policy priorities, plans and programmes. They are separately responsible to the Minister for Labour for their activities. . . . In 1982, proceeds from the Youth Employment Levy were allocated to both organisations

in the course of the Budget process, on the basis of the proportion of their "clients" under 25 years of age. This amounted to approximately half of the total funds generated by the Levy in the nine months of 1982, or one-third of the funds available in a full year.

Clearly, if age is the only criterion for the provision of funding, and given the continuing development plans of both organisations, the element of Levy proceeds over which the Agency has discretion would be progressively eroded and in theory at any rate, it could be totally eliminated over time.

One does not have to read too far between the lines to see that the Agency fears that ultimately it would be reduced to a mere bursar's role transferring funds to other largely autonomous bodies without being able to bring any real influence to bear on overall policy in the youth area. In such circumstances, obviously, its whole *raison d'être* would be open to question. The problem is that any semi-state body looks at other similar agencies as equals and not as masters and given the individual constitutional arrangements, and the degree of autonomy normally involved, any attempt by one body, however, well justified, to influence the activities of another, is bound to lead to friction. This can only be seriously disadvantageous to the overall objectives to which all are essentially committed. There is, therefore, a case for bringing the Agency more within the direct sphere of government so that it can have, and be seen to have, a clearly defined statutory role. In these circumstances it is envisaged that the Agency would be directly responsible to the Minister for Labour and that its Board would act in an advisory, rather than in an executive capacity. This would provide a more solid statutory and institutional basis for ensuring that the Agency would be able to meet the objectives set for it and would also help to ensure that manpower policies in relation to youth were framed in the context of overall manpower policy (on the assumption that such will emerge).

On the question of overall manpower policy, one of the essential issues here is to ensure an appropriate emphasis for the youth labour market which can be reviewed as time pro-

gresses. We have accepted that the scale of the problems currently associated with youth are such that they must be given immediate priority and that this emphasis will be necessary for some years to come. However, the demographic structure of the population is changing rapidly and the primary focus of attention may have to be shifted on to older workers or to other groups at a later stage. We must, at all costs, avoid a situation where the full range of our policy and administrative measures become locked in a particular direction and cannot be readily redirected according as priorities change. This is a problem which is more likely to emerge in the absence of an overall flexible government policy on manpower and if the institutional structures are drawn up in a manner which makes adaptation or change difficult.

It might be held that what we are essentially suggesting is an integration of the Youth Employment Agency into the Civil Service. This might have been an option if the Service had evolved over the years in a more flexible manner. However, under existing conditions it would be virtually impossible to quickly organise and administer the diverse range of activities in which the Agency has to become involved from within the Civil Service.

Despite various commissioned reports²⁷ the Civil Service staff structure has not been altered significantly over the years and is characterised by excessive rigidity and a serious lack of flexibility. Within the system there is a low level of job mobility and virtually no mobility at all between those engaged on administrative and professional or technical functions. While there is some degree of outflow to the semi-state agencies there is no possibility of a reverse movement. The overall flexibility of the system militates against a sufficient perception of a rapidly changing society and makes it very difficult to respond adequately to developments as they arise. In virtually all departments outside of those involved in central policy matters, (e.g., Departments of Finance, Taoiseach and Public Service) most of the senior staff do not have any technical or professional background

27. Principally the Report of the Public Service Review Group (1968), Stationery Office.

despite the fact that they have to grapple with problems in an increasingly complex world. This aspect was highlighted in the case of the Department of Labour as far back as 1974, in the report of a special OECD Study Team. This report stated:

[The Department] has few staff qualified to interpret economic information to contribute to the design of active manpower policies, to complement short-term economic strategy; or to forecast developments in the manpower field and examine policy options for possible application in the future.

Successive governments have failed to even address themselves seriously to this problem and the problem has been made more intractable by long-standing staff association and trade union attitudes which are based on a dogged determination on all sides to preserve the status quo and defend areas of responsibility from encroachment by other grades.

Lest there be any misunderstanding regarding the criticisms being voiced, it is necessary to dispel any notion that the problems to which we refer can be solved by the instant addition of sizeable numbers of professional staff in the form of economists, engineers, sociologists, etc., to the upper echelons of the Civil Service. Operating in a public sector environment is totally different from the more flexible arrangements which are possible in a private sector enterprise. The democratic and parliamentary process impose necessary constraints and limit one's freedom of action. It takes time to become familiar with the essential *modus operandi* in the government's sphere and even if a start were made now in trying to achieve more innovative and technically oriented cadre in the higher Civil Service, it would take some years before the full impact of such an initiative became evident.

In the meantime, however, we have to cope with our mounting problems and some immediate measures are urgently needed while we deal with the problems of re-organising the Public Services which involves a longer time horizon. Basically this means trying to work within the institutional framework which exists now and carrying out some adaptations with a view to making the overall system more effective. What we

have suggested in regard to the Youth Employment Agency (i.e., its reconstitution as a more direct arm of government) is intended to provide a more forceful and authoritative direction to all aspects of labour market concerning youth. It is a stop-gap arrangement. The ultimate aim should be the emergence of an authoritative and innovative Department of Labour actively engaged in the formulation and the ongoing review of manpower policies which would provide a coherent framework within which the various executive agencies would work. In the context of this type of development it would be appropriate for the Youth Employment Agency to become a mainly executive body dealing with specific functions in the youth area. It might be held that as it currently stands the Agency is not involved in a very extensive range of purely executive functions but if its activities were expanded along the lines suggested earlier in this paper there would be a very considerable executive role to be filled.

Chapter V

SUMMARY

The earlier chapters in this report outlined the changing pattern of the youth labour force over the last twenty years and analysed in particular the sharp escalation in youth unemployment which has taken place since the beginning of the current recession in early 1980. The indications are that currently there are about 75,000 unemployed persons aged between 15 and 24 years, i.e., about 20 per cent of the youth labour force. This total does not cover many other young people being accommodated on special employment and training schemes who now number about 15,000 or perhaps even more. In fact, the somewhat uncertain manner in which this expanding group is treated in the current labour force statistics means that the figures do not fully reflect the problems in the youth labour market.

Using the registered unemployed as a guide this source indicates that youth unemployment has increased by 193 per cent since early 1980, a rise significantly in excess of the *corresponding relative increase for older workers which was 84 per cent*. There was an easing in the upward spiral of unemployment in 1981 but this did not significantly affect the *youth labour market*. The seasonal pattern of the youth component of the Live Register indicates that school leavers are now flowing on to the Register in increasing numbers within a short time of leaving the educational system. While the prolonged and deep rooted nature of the current recession is undoubtedly an influence here it is also likely that relaxations in the eligibility provisions may also be a factor, in that larger numbers of young people can now qualify for UA payments which, if not excessively large, are certainly not insignificant. However, even when allowance is made for this, the rise in

youth unemployment (as measured by the Live Register) has been particularly severe and it must also be borne in mind that this source does not take account of the increasing numbers of persons on special schemes. Another aspect to keep in mind in this regard is that in recent years the youth labour force has been increasing more slowly in relative terms than the adult labour force because larger numbers of young persons are remaining in education for longer periods.

Among the factors which are considered to have influenced the deteriorating youth employment situation are labour market practices which particularly militate against young people, such as the likelihood of young workers being let go in preference to older more skilled or experienced workers when redundancies occur; the labour force age structure is another factor which is likely to have adversely affected youth in that in considering redundancies in an overall aggregate sense there are relatively small numbers of workers who are in a position to opt for retirement; many productivity arrangements result in the elimination of jobs held by young people; finally, in recent years there has been a severe curtailment in recruitment in particular sectors (in the Public Service and in Banks and Insurance Companies, etc.) which have traditionally provided employment opportunities for young persons. Earnings, looked at solely in their own right, do not appear to have been a significant element behind the steep rise in youth unemployment. The evidence available in this country indicates that average earnings of young people have not risen any faster than those of older workers and research from other countries does not suggest a particularly strong relationship between youth earnings and changes in the level of youth employment or unemployment.

Chapter III deals with the outflow from the educational sector in recent years, analysing the situation in terms of early labour force experience. The aggregate outflow from education is a very significant influence in determining the overall change in the labour force. About 75,000 persons enter the labour force every year, of whom some 53,000 come from the educational system. However, there is evidence in recent years that the numbers entering the labour force from education have been falling, according as more young

persons opt to remain longer in the educational system because of the unfavourable labour market situation.

In this analysis early labour force experience is expressed in terms of young persons' employment situation at the beginning of the calendar year following the year of leaving education. Looked at in this way the overall unemployment rate among leavers from the educational system increased from 11 per cent for those who left in 1979 to nearly 38 per cent for those who entered the labour market in 1982. The rate of increase was smaller for university graduates (going up from 8 per cent to 16 per cent) but it varied greatly for different Third Level disciplines. There were quite sizeable increases in unemployment among Arts, Science and Engineering graduates while the incidence of unemployment remained at a very low level among those who qualified with other professional awards.

Among Second Level leavers, while the rate of unemployment remained consistently high for those who left the system without any educational qualifications, but the rate rose more rapidly for those who had left the system with a qualification (in the form of the Group or Intermediate Certificate, or the Leaving Certificate).

The annual sectoral employment or take up of young persons leaving the educational system is analysed in the final section of Chapter III. The effect of the current recession is evident for all sectors in the form of greatly reduced recruitment but it is especially marked in the case of the Public sector and for Financial and Insurance Institutions. For these sectors taken in aggregate, the annual intake of Second Level school leavers fell from 8,000 in 1979/80 to less than 2,000 in 1982/83. This analysis shows that in the case of the Universities no less than two-thirds of the annual flow of graduates who enter the labour force is absorbed into Public sector employment of one form or another and, in fact up to one-third take up Second Level teaching posts. Award recipients from NCEA courses take up a more diverse range of posts, with about one-half finding employment in the Industry and Building sector.

It will be noted from Appendix A that the assembly of the data which forms the basis of the foregoing analysis involved

a considerable amount of statistical manipulation and estimation. Furthermore, the coverage is not complete in that some sectors of higher education are not covered because of the complete absence of any data; even for those Third Level sectors included, persons who left the system without a qualification (drop outs) are not included. There is an urgent need to have comprehensive and regular information on the overall outflow from the educational system as a whole. This could either take the form of a single comprehensive survey covering all levels or a much greater degree of co-ordination among the existing data sources. This is a matter which should involve a government initiative in order to insure the full involvement of the various bodies and institutions concerned.

Chapter IV of this report contains an assessment of the implications of our findings and contains some suggestions as to the directions which policy approaches might follow in order to deal with the emerging problems.

While many of the recent changes in the employment situation are cyclical in the sense that they are related to the current recession, there are also indications which suggest that some of these changes are structural in nature — for example, the reductions in employment opportunities for administrative and clerical personnel in the private sector. The secondary school system has hitherto been preparing its student output for either this type of employment or for higher education. The problems of the youth labour market will be compounded unless there is a reorientation of Second Level education which allows more flexibility and a wider range of options in terms of the subjects and courses which students may follow. This would involve *inter alia*, a greater range of technical or vocational subjects. It is also desirable that the system should induce a greater sense of self sufficiency or self reliance and move away from the overriding tendency to prepare students solely for a lifetime of paid employment. Whether such changes can be satisfactorily achieved by adjusting the existing system or whether they require a more fundamental approach involving a general move towards a comprehensive system is a matter that requires further consideration.

The high proportion of university students which are

absorbed into public sector employment (some two-thirds) is obviously a matter of serious concern in the medium term. Economic stringency is likely to be the order of the day for many years to come and this must impact adversely on graduate employment opportunities in this area. A further problem is that in the case of Second Level teaching posts (which account for no less than one-third of new graduate employment each year) demographic changes dictate that the growth in this area in the 1980s will be much slower than in recent decades with correspondingly fewer new employment opportunities. Since this is a structural and long-term change it clearly focuses attention from the nature of the graduate outflow and, in particular, on the large number of persons leaving higher education with Arts, Social Science and Science degrees who will find it increasingly difficult to find employment as time progresses. The situation needs to be looked at urgently from the point of view of the allocation of resources, keeping in mind of course that higher education fulfils social needs other than those purely related to the labour market.

With regard to the overall youth employment situation there is virtually no possibility that any conventional approaches in the area of general economic management will arrest the upward spiral of unemployment, particularly for young people. Even if such approaches are supplemented by certain measures intended to stimulate job creation (such as employment subsidies, etc.) the results are likely to be marginal at best. The general world-wide economic situation, coupled with the population pressures we have to face, will give rise to a situation of continuously rising youth unemployment unless some unconventional special measures are taken. A resumption of large scale emigration is, of course, a possibility and it may well be that increasing numbers will avail of this less than satisfactory option. In these circumstances there appears to be no practical alternative in so far as youth is concerned, but to consider an extension of special employment and training schemes — unless society is prepared to allow youth unemployment to rise unchecked with all of the social and other ill effects which this entails. The proposals set out here, however, do involve one further important dimension, name-

ly, that such initiatives should be community based both in terms of implementation and funding, with a degree of national co-ordination exercised by the Youth Employment Agency. It is suggested that the local funding be provided by single comprehensive property tax on all private dwellings which would supersede the existing property tax and transfer some of the burden currently involved in the payment of the youth employment levy.

The final section of Chapter IV deals mostly with the question of manpower policy in overall terms and in relation to youth. The fact is that there is at present no coherent set of manpower policies. Over the years since the mid-1970s the reaction of government to the worsening employment situation has been a series of unco-ordinated *ad hoc* measures. The institutional arrangements involving the appropriate government Departments and the various semi-state agencies in the manpower area is particularly unsatisfactory. In many respects the roles of the various bodies are not adequately defined and the whole system lacks cohesion in regard to the attainment of mutually consistent or common objectives. In particular, the constitutional circumstances governing the operation of the Youth Employment Agency are such that it cannot realistically be expected to fulfil its intended role — that of co-ordinating all matters in relation to the youth labour market, promoting employment creation schemes and drawing up proposals for manpower policies in relation to youth. It is suggested that the Agency be brought more within the direct sphere of government to enable it to have a more effective influence in regard to youth matters and to ensure that, in the longer term, its activities are fully consistent with overall manpower policies. While the problems of the youth labour market will have to be accorded priority over the coming years, our population structure is changing and if one takes a longer perspective the emphasis of remedial measures may at a later stage have to be directed to older groups.

The ultimate objective in regard to institutional arrangements should be the emergence of a more authoritative and innovative Department of Labour adequately equipped to formulate, review and monitor manpower strategies and to

co-ordinate and oversee the activities of semi-state agencies which should carry out largely executive functions.

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APPENDIX I

Data sources used in estimating the outflow from education

As indicated in the text of the paper, the individual inquiries which were used in estimating the outflow from the educational system over the period 1979/82 were:

- (a) The Annual Sample Survey of Second-Level School Leavers carried out by the National Manpower Service (NMS).
- (b) The Annual Survey of Early Labour Force Experience of Graduates carried out by the Career Guidance Offices of the Universities, i.e., the constituent colleges of the NUI (including Maynooth) and TCD.
- (c) A similar Annual Survey of Award Recipients for Courses covered by the National Council for Educational Awards (NCEA).

The scope of the NMS sample survey extends to all Second Level leavers whether or not they obtain a qualification. The results are based on a sample of up to 2,500 young persons selected from the totality of all individuals who left Second Level education during the years concerned. The actual information is obtained by means of personal interviews which are carried out in the early summer of the year immediately following the year in which the young person left school. The information collected relates to details of employment experience, unemployment spells and those who have a job at the time of enquiry are asked for details of their employer's business as well as the kind of work engaged in. The data from the sample are expanded to the level of the gross national terminal outflow using information on stock and flows provided by the Department of Education. The annual gross outflow from Second Level education currently exceeds 60,000 persons.

The surveys of university graduates, which seek essentially the same kind of information, are based on postal enquiries directed to all persons who graduated in the year concerned (with both primary and higher degrees). The questionnaires are usually mailed in December of the year of graduation and, therefore, the employment circumstances as portrayed by these enquiries would relate to the situation of graduates at the beginning of the calendar year subsequent to the year of graduation. The response rates obtained in these enquiries have been quite high, it was nearly 90 per cent in the survey of 1982 graduates (who numbered 6,339, including those who received the Higher Diploma in Education). The survey of NCEA sub-degree recipients is carried out in a similar manner as that employed by the university careers offices — it is a postal survey but the questionnaires are issued somewhat earlier than in the case of the university enquiries. The response rates in these surveys are also quite high, the most recent being 86 per cent in respect of the 2,930 students who qualified for NCEA awards in 1982.

It is clear from the foregoing that differences in approach and methodology could create some problems in comparing the results from the various surveys, particularly in integrating them in order to obtain a comprehensive picture of the aggregate outflow from the educational system. In the first place there is the question of the different timing of the various enquiries. However, this can largely be overcome as the NMS survey of Second Level leavers seeks retrospective as well as current information on employment and unemployment, and it is possible to present data from that survey in terms of the situation in January preceding the interviews, which largely coincides with the timing of the Third Level enquiries. It must also be noted that the different field methodologies — the postal approach used in the NCEA and university surveys and the personal interviewing technique used in the NMS inquiry — could give rise to some variations which reflect these differences rather than the situation in the labour market. Furthermore, the former enquiries contain only information on persons who received qualifications and do not cover persons who have left the system without an award — a fairly significant omission which we will consider

in more detail in the following paragraphs.

The results of the surveys carried out by the universities and the NCEA are published in the form of tables relating to respondents only, while, as indicated, the NMS survey data are expanded to the level of the total outflow from Second Level education. In the results presented in this paper, the data for the Third Level sectors have also been grossed up to the level of the total outflows from the different types of institutions in the years concerned in order to give a more complete picture and maintain a more correct proportion between the different elements of the educational system. Since the response rates in all years for the surveys were quite high this is unlikely to have given rise to any significant imprecision, but for some categories of persons the effect of the adjustments might be more substantial, e.g., those who emigrated or were unemployed, as such persons might be more difficult to contact or less willing to co-operate.

Another factor which takes from the completeness of the Third Level data presented is that there are some significant areas of Third Level education which are not subject to any inquiry, e.g., the Dublin Institute of Technology, the Primary Teacher Training Colleges and some other smaller institutions. In aggregate these institutions would normally account for in excess of 2,500 further award recipients in addition to the 9,700 covered by the universities and the NCEA courses.

It has been mentioned above that drop-outs from Third Level education are a fairly significant omission and it is of interest to look at this aspect in more detail and to try and set down some order of magnitude on the numbers involved. It is possible to attempt to assess the extent of the drop-out problem for specific Third Level subsectors covered by our analyses by comparing annual numbers of award recipients with aggregate outflow data which is derivable from Department of Education data. This is done in Table I following for the academic years 1978/79, 1979/80 and 1980/81. On the basis of these calculations it would appear that of the 5,500 persons who leave the university sector each year about one-quarter, 1,500 are drop-outs. The most recent figures available for the universities, 1980/81, seem to indicate that the number of drop-outs had fallen but too

Appendix Table I: *Stocks, flows and estimated drop-outs in Universities and Regional Technical Colleges for persons pursuing full-time third level courses*

Year	Stock	Inflow	Derived outflow	Degree or award recipients		
				Total	Estimated no. who left education	Estimated drop-outs
Universities						
1978/79	22,885	5,752	5,700	6,420	4,200	1,500
1979/80	22,937	5,763	5,595	6,120	3,800	1,700
1980/81	23,205	5,896	5,193	6,360	4,200	1,000
1981/82	22,908					
RTCs						
1978/79	4,274	2,658	1,987	1,464	1,000	1,000
1979/80	4,945	2,879	2,159	1,585	1,000	1,100
1980/81	5,665	3,693	2,239	1,740	1,200	1,000
1981/82	7,119					

Notes:

- (1) The figures for annual student stock numbers and the corresponding annual inflows have been obtained from Department of Education data (see the *Statistical Report of the Department of Education* for the years concerned).
- (2) The stock figures relate to the commencement of the academic years concerned.
- (3) The outflow figures have been derived by deducting the difference between successive stock figures from the given Inflow totals.
- (4) The estimates for the numbers of Degree or Award Recipients who left the educational system in the years concerned have been derived from the annual surveys of University Graduates and NCEA Award Recipients (see Table 5). It should be noted, however, that the data for NCEA award recipients in Table 5 also cover those who received qualifications in institutions other than Regional Technical Colleges. The relevant totals are therefore larger. Not all award recipients who qualify in RTCs receive NCEA awards. There are relatively small numbers of other non-NCEA courses in RTCs, but these are unlikely to significantly affect the calculations shown in the table.

much reliance should not be put on the results for any one year in view of the rather tentative nature of these calculations. The aggregate number of drop-outs from NCEA courses in Regional Technical Colleges appears to be in the region of 1,000 and this represents a somewhat higher proportion in relation to the total outflow than is the case for the universities.

These data suggest that the aggregate number of drop-outs from the universities and RTCs could be as high as 2,500. On this basis, taking into account the broad proportion of Third Level education covered by our analysis, it would appear that the total number of persons who leave higher education each year without an award is in the region of 3,000. From a labour market or social and economic point of view the main disadvantage in not having information on such persons is that they are likely to encounter more difficulties in the labour market than those who obtain qualifications. Therefore, the data for the Third Level education which we have presented probably depicts a somewhat more optimistic picture of early experience in the labour force than would otherwise be the case if our coverage was more complete.

In terms of statistical coverage the situation is, therefore, that in addition to the 6,000 graduates or award recipients included in our figures who actually leave the Higher Education system, there are some 5,000 further persons in the total outflow about whom we have no information — some 2,000 award recipients in higher institutions which are not subject to any inquiry and some 3,000 drop-outs.

Clearly, the above-mentioned aspects need to be kept in mind in using and interpreting the data presented, particularly when they are used in the context of comparative analyses between different institutional sectors. However, it will be noted also that the results for the different areas of education display a reasonable consistency, particularly in regard to trends in employment and unemployment over the period under discussion. In this light it can be assumed that the broad picture as portrayed by the figures is reasonably valid.

APPENDIX II

Table A: Persons at work in April 1981 classified by sector and age group

<i>Sector</i>	<i>15 to 24 years</i>	<i>25 years or over</i>	<i>Total</i>	<i>% aged under 25 years</i>
	<i>(000)</i>			<i>%</i>
Agriculture, Forestry etc.	21.6	167.9	189.5	11.4
Manufacturing Industry	85.2	178.7	263.9	32.3
Building, Construction	25.5	71.4	96.9	26.3
Commerce, Finance etc.	73.1	132.1	205.2	35.6
Other Services	110.7	284.5	395.2	28.0
Total at Work	316.1	834.6	1150.7	27.5
Unemployed*	52.0 (14.1)	80.6 (8.8)	132.6 (10.3)	39.2
Labour Force	368.1	915.2	1283.3	28.7

*The figures in parentheses are unemployment rates.

Source: 1981 Census of Population.

Table B: *Live Register by broad age groups 1980-83 – original series*

Year and month	Less than 25 years			25 years or over			Total Live Register
	UA	UB*	Total	UA	UB*	Total	
1980 Jan.	8,321	12,333	20,654	36,147	35,290	71,437	92,091
Feb.	7,905	12,818	20,723	36,469	35,162	71,631	92,354
March	7,770	12,179	19,949	36,637	34,984	71,621	91,575
Apr.	7,861	12,777	20,638	36,734	34,661	71,395	92,033
May	7,717	12,901	20,618	36,956	35,936	72,892	93,510
June	8,226	13,992	22,218	37,014	37,270	74,284	96,502
July	9,040	15,204	24,244	37,047	39,540	76,587	100,831
Aug.	9,725	15,897	25,622	37,785	41,785	79,570	105,192
Sept.	9,450	16,673	26,123	38,043	41,401	79,444	105,567
Oct.	9,481	18,464	27,945	38,701	44,275	82,976	110,921
Nov.	9,832	19,314	29,146	39,423	46,401	85,824	114,970
Dec.	10,119	21,169	31,288	40,054	50,873	90,932	122,220
1981 Jan.	10,570	22,372	32,942	40,946	51,172	92,118	125,060
Feb.	11,036	22,510	33,546	40,990	51,720	92,710	126,256
March	11,150	22,115	33,265	41,359	51,415	92,774	126,039
Apr.	11,210	21,697	32,907	41,845	51,289	93,134	126,041
May	11,255	21,074	32,329	42,128	49,086	91,214	123,543
June	12,303	20,283	32,586	42,715	48,171	90,886	123,472
July	13,618	21,124	34,742	43,215	50,130	93,345	128,087
Aug.	14,071	21,053	35,124	44,377	48,046	92,423	127,547
Sept.	14,222	20,971	35,193	44,671	47,449	92,120	127,313
Oct.	14,266	21,235	35,501	45,888	47,822	93,710	129,211
Nov.	14,551	22,288	36,839	46,811	49,448	96,259	133,098
Dec.	14,980	24,055	39,035	48,091	54,020	102,111	141,146
1982 Jan.	15,700	26,005	41,705	49,937	54,950	104,887	146,592
Feb.	16,268	25,347	41,615	50,121	53,922	104,043	145,658
March	16,187	25,883	42,070	50,990	54,944	105,934	148,004
Apr.	16,616	25,486	42,102	52,092	43,218	106,310	148,412
May	17,057	24,706	41,763	53,054	52,855	105,909	147,672
June	18,736	25,053	43,789	54,049	53,021	107,070	150,859
July	21,406	25,663	47,069	55,266	53,743	109,009	156,078
Aug.	21,788	26,762	48,550	56,156	56,054	112,210	160,760
Sept.	21,022	26,805	47,827	56,703	55,707	112,410	160,237
Oct.	20,511	28,249	48,760	57,535	58,720	116,255	165,015
Nov.	20,909	29,466	50,375	58,598	60,965	119,563	169,938
Dec.	21,988	32,030	54,018	60,096	65,753	125,849	179,867
1983 Jan.	22,972	34,219	57,191	61,217	68,598	129,815	187,006
Feb.	23,106	33,890	56,996	62,136	69,223	131,359	188,355
March	23,214	33,424	56,638	63,118	69,648	132,766	189,404
Apr.	23,607	32,612	56,219	63,959	67,709	131,668	187,887
May	23,717	32,473	56,190	64,476	66,718	131,194	187,384
June	26,234	32,060	58,294	65,538	65,288	130,826	189,120
July	29,197	31,449	60,646	65,981	65,396	131,377	192,023

*These categories include relatively small numbers of persons who are not applicants for Unemployment Benefit, mainly persons signing for credits. In July 1983 these numbered about 200 in the under 25 years age group and some 6,000 older persons.

Table C: *Live Register by broad age groups 1980-83 – seasonally adjusted*

Year and month	Less than 25 years			25 years or over			Total Live Register
	UA	UB*	Total	UA	UB*	Total	
1980 Jan.	8,222	10,644	18,866	35,481	31,857	67,308	86,174
Feb.	8,020	11,084	19,104	36,184	32,687	68,871	87,975
March	8,185	11,341	19,526	34,480	33,266	69,746	89,272
Apr.	8,407	12,746	20,931	36,619	33,832	70,451	91,382
May	8,492	13,658	22,150	36,994	37,246	74,240	96,390
June	8,434	15,073	23,507	37,208	39,318	76,526	100,033
July	8,300	16,116	24,416	37,511	41,293	78,804	163,220
Aug.	8,775	16,957	25,682	37,931	42,824	80,755	106,437
Sept.	9,110	17,914	27,024	38,506	44,194	82,700	109,724
Oct.	9,550	19,283	28,833	38,925	46,925	84,953	113,786
Nov.	9,870	19,613	29,483	39,425	47,148	86,573	116,056
Dec.	10,130	20,017	30,147	39,751	47,884	87,635	117,782
1981 Jan.	10,471	20,183	30,654	40,280	47,739	88,019	118,673
Feb.	11,151	20,776	31,927	40,705	49,245	89,950	121,877
March	11,565	21,277	32,842	41,202	49,697	90,899	123,741
Apr.	11,756	21,444	33,200	41,730	50,460	92,190	125,390
May	11,980	21,881	33,861	42,166	50,396	92,562	126,423
June	12,511	21,364	33,875	42,909	50,219	93,128	127,003
July	12,878	22,036	34,914	43,679	51,883	95,562	130,476
Aug.	13,121	22,063	35,184	44,523	49,085	93,608	128,792
Sept.	13,882	22,212	36,094	45,134	50,242	96,376	132,470
Oct.	14,335	22,054	36,389	46,112	49,575	95,687	132,076
Nov.	14,589	22,587	37,176	46,813	50,195	97,008	134,184
Dec.	14,991	22,903	37,894	47,783	51,031	98,814	136,708
1982 Jan.	15,601	23,816	39,417	49,271	51,517	100,788	140,205
Feb.	16,383	23,613	39,996	49,836	51,447	101,283	141,279
March	16,602	25,045	41,647	50,833	53,226	104,059	145,706
Apr.	17,162	25,233	42,395	51,977	53,389	105,366	147,761
May	17,782	25,513	43,295	53,092	54,115	107,257	150,552
June	18,944	26,134	45,078	54,243	55,069	109,612	154,690
July	20,666	26,575	47,241	55,730	55,496	111,226	158,467
Aug.	20,838	27,772	48,610	56,302	57,093	113,395	162,005
Sept.	20,682	28,046	48,728	57,166	58,500	115,666	164,394
Oct.	20,580	29,068	49,648	57,759	60,473	118,232	167,971
Nov.	20,947	29,776	50,712	58,600	61,712	120,312	171,024
Dec.	21,999	30,878	52,877	59,788	62,764	122,552	175,429
1983 Jan.	22,873	32,018	54,891	60,551	65,164	125,715	180,606
Feb.	23,206	32,190	55,396	61,851	66,708	128,559	183,955
March	23,629	32,609	56,238	62,961	67,905	130,866	187,104
Apr.	24,153	32,366	56,519	63,844	66,924	130,768	187,287
May	24,442	33,248	57,690	64,514	67,980	132,494	190,184
June	26,442	33,152	59,594	65,670	67,356	133,026	192,620
July	28,457	32,389	60,846	66,445	67,032	133,477	194,323

*See Note to Table B.

Table D: Numbers classified to the category "Unspecified – persons who have never been employed in any industry" in the monthly Industrial Analysis of the Live Register. Seasonally adjusted series for the period January 1979 to April 1983

Month	1979	1980	1981	1982	1983	Seasonal Factors (1982)
January	3,200	3,300	5,300	8,000	12,200	+100
February	3,200	3,400	5,600	8,300	12,400	-100
March	3,400	3,700	5,900	8,400	12,700	-400
April	3,500	3,900	6,000	8,800	12,900	-500
May	3,500	4,000	6,100	9,000		-400
June	3,500	4,000	6,300	9,400		-300
July	3,300	4,000	6,600	10,900		+300
August	2,900	3,800	6,900	11,300		+600
September	2,900	4,300	7,000	11,500		+500
October	3,000	4,700	7,200	11,400		+200
November	3,200	4,900	7,400	11,600		-
December	3,300	5,100	7,700	11,800		-100

Table E: *Level of entitlement to UA for unemployed young persons entering the labour force based on parental income equivalent to the average adult industrial wage*

<i>Period</i>	<i>Gross average adult male weekly ind. wage (March)</i>	<i>Children's allowances (based on three dependent children)</i>	<i>Total gross income</i>	<i>Equivalent⁽¹⁾ net income</i>	<i>Means⁽²⁾ applying to applicant</i>	<i>Minimum UA level (Urban)</i>	<i>Net UA amount payable</i>
			£				
1980	106.71	3.22	109.93	89.21	11.15	13.15	2.00
1981	121.56	4.11	125.67	108.40	13.55	17.0	3.45
1982	137.81	5.33	143.14	110.50	13.82	20.40	6.58
1983	156.43	7.50	163.93	126.88	15.86	26.25	10.39

Notes:

- (1) Derived by deducting amounts from the Gross Weekly Wage based on the Income Tax and PRSI rates for the years concerned. Household circumstances involve two parents (only one earning) and three dependent children (other than the UA applicant).
- (2) Taken as 12¼ per cent of Net Income.

Table F: *Average monthly earnings of full-time employees by age in firms with 10 or more employees: October 1974 and October 1979*

Sector	Age groups							Total
	Under 19	19-20	21-29	30-44	45-54	55-64	65 and over	
£								
1974								
<i>Wholesale</i>								
Male	87	115	178	225	222	207	202	197
Female	78	92	115	140	136	143	112	112
<i>Retail</i>								
Male	91	107	167	214	211	195	188	182
Female	73	90	112	125	131	122	129	106
<i>Credit</i>								
Male	134	150	197	334	344	344	190	263
Female	123	135	160	245	257	200	—	162
<i>Insurance</i>								
Male	98	121	200	318	333	319	—	271
Female	102	109	131	197	215	191	—	141
1979								
<i>Wholesale</i>								
Male	198	274	397	518	511	460	365	446
Female	187	226	279	341	325	310	252	280
<i>Retail</i>								
Male	196	269	385	466	477	417	334	399
Female	202	234	296	338	319	331	250	283
<i>Credit</i>								
Male	345	392	571	940	1154	1026	431	806
Female	355	366	476	693	775	752	—	512
<i>Insurance</i>								
Male	245	268	429	731	745	684	512	592
Female	256	282	327	489	501	367	—	356

Sources:

- (a) 1974 data; Geoghegan, B.J., and Frain, P.F. — "Some aspects of Labour Costs and Earnings 1974 and 1975. *Journal of the Statistical and Social Inquiry Society of Ireland*, 1978/1979. This paper was based on the 1974 CSO Structure of Earnings and Labour Costs Surveys.
- (b) 1979 data: Special tabulation from the 1979 CSO Survey of the Structure of Earnings.

Table G: Registered unemployed aged less than 25 years in EEC countries in January 1980, December 1982 and June 1983

Country	(000's)			% change	
	Jan. 1980	Dec. 1982	June 1983	Jan. 80- June 83	Dec. 82- June 83
West Germany	271	531	503	+85	-5
France	608	964	723	+19	-25
Italy	800	1,264	1,282	+60	+1
The Netherlands	97	308	323	+233	+5
Belgium	134	226	183	+37	-19
Luxembourg	-	1	1	-	-
UK	538	1,177	1,153	+114	-2
Ireland	21	54	58	+176	+7
Denmark	48	75	65	+35	-13
<i>Total</i>	2,518	4,601	4,292	+70	-7

Source: Eurostat Monthly Statistical Bulletin on Unemployment.

Table H: *Population and labour force flows, April 1978 to April 1979*
(000)

		1979 Status						Deaths	Emigrants	Population April 1978	
		Labour force	Education (15 years and over)	Home duties	Retired	Other	Under 15 years				Total
1978 Status	Labour force	1162	2	15	7	5	—	1190	8	8	1206
	Education (14 years and over)	53	180	—	—	1	—	234	25	1	1158
	Home duties	10	—	619	1	1	—	632			
	Retired	—	—	1	173	—	—	174			
	Other	2	—	1	1	90	—	94	1	—	949
	Under 14 years	—	—	—	—	—	949	949			
Total		1227	182	636	182	97	949	3273	32	9	3314
Births		—	—	—	—	—	70	70			
Immigrants		10	—	5	2	—	8	24			
Population in April 1979		1237	182	641	184	97	1028	3368			

Notes:

- (1) The 1978 and 1979 population totals are official figures (the latter being the 1979 Census total). The figure for deaths was obtained from the annual Vital Statistics Series. The figure for births is the total aged "under one year" of the 1979 Census, after allowing for a deduction of 1,000 which represents the estimated number of in-migrants aged under one during 1978/79. The gross population inflow over 1978/79 is an estimate derived from the 1979 Labour Force Survey. The total of 9,000 for the gross outflow of population during 1978/79 is a residual estimate.
- (2) Nearly all of the gross population 1978/79 outflow (emigration) has been assigned to the labour force (in 1978 terms) since virtually all of it relates to the 15 to 24 year age group.
- (3) The subdivision of deaths which occurred over 1978/79 between the labour force and the inactive categories was determined by applying 1979 Labour Force Survey participation rates to numbers of deaths in different age groups.
- (4) The gross external inflow (immigration) was subdivided between the labour force and the economically inactive categories (in 1979 terms) using 1979 Labour Force Survey estimates.

Table I: *The situation of males and females who left the Irish educational system in 1979, 1980, 1981 and 1982 in the first half of the following year*

Level and year of leaving	Situation in first half of following year					Total
	At work	Unemployed	Total entered labour force	Returned to education	Other** Activities	
<i>Males</i>						
Second Level						
1979	20,000	2,750	22,850	7,130	1,900	31,880
1980	18,400	5,500	23,900	8,200	1,250	33,350
1981	15,800	6,000	21,800	7,800	1,700	31,200
1982	12,700	8,200	29,900	9,400	1,100	31,400
Universities						
1979	1,880	110	1,990	980	400	3,360
1980	1,780	160	1,950	1,030	360	3,330
1981	1,690	240	1,930	1,000	380	3,300
1982	1,820	300	2,110	1,080	380	3,570
NCEA						
1979	860	80	930	450	50	1,430
1980	880	190	1,060	490	50	1,610
1981	910	280	1,190	600	40	1,840
1982	790	380	1,172	750	70	1,990
Total						
1979	22,840	2,940	25,780	8,560	2,350	36,690
1980	21,060	5,860	26,920	9,720	1,660	38,300
1981	18,400	6,520	24,920	9,400	2,120	36,440
1982	15,310	8,880	24,190	11,230	1,540	36,960
<i>Females</i>						
Second Level						
1979	18,250	1,900	20,150	9,950	2,150	32,250
1980	16,300	2,950	19,250	10,700	1,400	31,350
1981	12,050	4,700	16,750	10,500	2,550	29,800
1982	11,500	7,900	19,400	8,800	1,600	29,800
Universities*						
1979	1,390	150	1,540	1,290	250	3,070
1980	1,120	170	1,290	1,250	240	2,780
1981	1,320	220	1,540	1,260	260	3,060
1982	4,260	290	1,550	1,330	280	3,170
NCEA						
1979	400	40	440	180	20	640
1980	430	80	510	220	40	760
1981	490	80	570	260	30	850
1982	400	220	620	300	40	950
Total						
1979	20,040	2,090	22,130	11,420	2,420	35,970
1980	17,850	3,200	21,050	12,170	1,680	34,900
1981	13,860	5,000	18,860	12,020	2,840	33,720
1982	13,160	8,410	21,570	10,430	1,920	33,920

*There is an element of estimation in the subdivision by sex in the case of the universities' data as the published information does not distinguish between males and females in the case of persons graduating with the Higher Diploma in Education. However, it is possible to make estimates on the basis of the numbers of males and females entering this course, which are identifiable from the outflow data for other faculties.

**Including those who emigrated.

Table J: *Unemployment Rates⁽¹⁾ for University Graduates who entered the domestic labour market, 1979-82*

Faculty	Year of leaving				No. graduates who entered labour market in 1981/82 ⁽³⁾
	1979	1980	1981	1982	
Arts and Social Science	15.5	18.1	24.5	25.4	560
Science	5.8	15.3	12.4	22.0	282
Commerce and Business Studies	1.9	7.5	7.6	8.5	419
Engineering	1.8	4.5	14.9	16.3	336
Agriculture (incl. Dairy Science)	10.3	20.7	35.5	12.8	93
Other Professions ⁽²⁾	1.1	1.7	2.3	2.6	455
H. Dip in Education	10.1	10.1	12.1	18.8	998
All Faculties	7.6	10.5	13.3	16.1	3143

Notes:

- (1) The numbers without a job and seeking work at the beginning of the calendar year following the year of final graduation.
- (2) Medicine, Dentistry, Law, Architecture, Veterinary.
- (3) Respondents only.

Table K: *Second Level school leavers, unemployment rates* for those who left school in 1979-1982 classified by Level*

Level	Year of leaving				Ratio of unemployment rate in 1982 to that in 1979
	1979	1980	1981	1982	
No qualification	21.4	30.8	41.7	48.8	2.28
Inter/Group Cert	10.0	17.5	23.9	39.3	3.93
Leaving Cert	7.9	13.4	19.8	37.0	4.68
Total	10.1	16.9	23.4	39.2	3.88

*The number seeking work in the Summer following the year of leaving expressed as a proportion of the total in the labour force at that time.