

DUBLIN BUSINESS SCHOOL

SHEENA MADDEN

**THE MOULTING TIGER
THE FALLOUT FROM IRELAND'S JOBS CRISIS**

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Introduction

Unemployment affects everyone.

This is not a statement that could have been made without fallibility during the recession of the 1980s and 90s. Although today's unemployment figures mirror those from the peak of the last jobs crisis, this time the collapse is less discriminating.

Unemployment has widened its net to capture doctors and bankers, teachers and cleaners; from the lowest paid to the highest earners, there is not one person who has been left untouched by its effects. No longer can 'the unemployed' be held at arm's length as 'those people, over there'.

In this series, we look at the wide-reaching effects of the recession on the Irish employment landscape. From the erosion of the foundations that once supported Ireland's school-leavers to the country's attitudes towards those worst-hit; from the trend towards lengthy unpaid work placements and what they mean for jobseekers to the growing competition amongst graduates, the features that follow provide an in-depth look into the metamorphosing effects that unemployment has had in Ireland. We also look at the positive effects that unemployment can bring as Ireland's new breed of entrepreneurs fight against the tide.

'The unemployed' are your sisters and your cousins, your sons and your mothers. Find out how the crisis has affected them and what the future may hold for Ireland and its citizens.

Feature One

And What Do You Do?

Attitudes to Unemployment

There has been a jump in requests to use private interview rooms in social welfare offices of late.

The facilities have always been available but according to social welfare officer Laura Gaffney*, there has never been much call for them before now. However, Laura says that over the past two years she has noticed an influx of social welfare recipients “coming in wearing baseball hats and glasses with their heads down.”

She observes that a large majority of those who seem to wish for anonymity are men of an older generation.

“They’re shocking cases sometimes because you see people who have worked for years - people my dad’s age - who never thought in a million years that they would have to sign on,” she says. “They’re the ones who find it hard to come in; they’re the ones who don’t know what to do or where to start, and you can see that it upsets them. It’s usually the older men who prefer to use the private room.”

Does she think that people are embarrassed to be seen signing on?

“Oh, absolutely,” she says.

In 1992, at the peak of the last jobs crisis that arose out of the recession of the 1980s, Mike Allen, former General Secretary of the Irish National Organisation for the Unemployed (INOUE), made the following observations:

“When you first sign on, you quickly notice that there are two types of dole queue which assemble on different days: the unemployment benefit queue is made up of people whose payments are made of as right and have been in work relatively recently; the second and longer queue is for the people whose income is means-tested, who have either never worked or last worked so long ago that they have exhausted their social insurance payments.

“When you join the first queue, you notice that the other is full of people who shuffle, wear scruffy clothes and leave the exchange very quickly. Fifteen months later, when you graduate yourself to the second queue, you no longer notice these things; they have become a part of your life.”

Although spoken 19 years ago as part of a speech delivered on RTÉ Radio 1, Mike Allen’s words provide an insight into how one societal group viewed another in terms of their employment status, and how they handled the realisation that they were not immune to the unemployment epidemic that had crescendoed to affect over 300,000 people at the beginning of 1993.

Now, 20 years later, unemployment figures echo those of the early ‘90s, with almost 300,000 people signing on the live register. Looking back, can we say that Irish attitudes have changed all that much since Mike Allen captured a snapshot of Irish people’s attitudes towards their jobless brethren, or are we still ashamed to be identified as unemployed?

Pat Moran is 53 years old. He is unemployed for the first time in his adult life. Most weekdays, he can be found fishing close to his home in Monasterevin, Co. Kildare with two ex-colleagues from his days as a shift manager at a Tesco distribution centre. Pat was made redundant when the supermarket chain amalgamated its Tallaght warehousing operation with a new facility in Donabate in June 2008.

“The whole senior team went,” Pat recalls. “The general manager lives in Portarlington, which is about six or seven miles away from me, and there’s another guy from Kilcullen. The three of us meet up now and go fishing to pass the time.

“I find the attitude from most people I meet is ok because everyone is in the same situation. It’s nearly like the people that are pointed out are the ones who have jobs; it’s gone from one extreme to the other,” he says.

As the three former bosses patiently while away the long days together amid hooks, bait and snares, does their conversation ever turn to the prospect of re-employment? Do they ever wonder how prospective employers might view the many thousands of mature people who are suddenly unemployed, some for the first time in their adult lives?

“I said to a friend of mine the other day who used to be in the steel business and now is in the same boat as me, ‘Francis, I don’t ever see myself working again, you know?’” says Pat resignedly.

“I’d say my prospects are very slim,” he expands. “While people actually won’t come out and say it to you, I believe my age is a big no-no straight away. I got to the stage where I was sending CV after CV on and not even getting a reply to say it had been received. I’ve always prided myself on my experience and on my achievements, but I still firmly believe that from your profiled by your age.”

Brid O’Brien, Head of Policy and Media with the INOU, agrees with Pat that because unemployment is so widespread there is a certain degree of empathy, but she says that the longer the crisis goes on, the less understanding people can become.

“One thing that’s quite striking is that, because unemployment has affected a wider group of people and a greater cross section of Irish society than the last time it was dramatic, you would be hard-pressed to find somebody who has not experienced it themselves or does not have at least one family member who has experienced it,” she says.

“Having said that, though” she continues, “as the crisis deepens, those attitudes of ‘why aren’t they working for their welfare payments?’ or ‘why don’t they just go and get a job?’ are starting to re-emerge.”

Brid says that it is crucial that the Government put supports in place to help people like Pat and his colleagues. “It’s so important that the way the system engages with people improves quite dramatically and becomes more centred on the person,” she says.

Laura Gaffney concurs that some of her colleagues in the social welfare office can be less than empathetic at times. “There is one girl,” says Laura, “and the way she talks to people you’d think they were her students.”

Far from being an isolated example, many unemployed people feel that the attitude of staff in their social welfare offices leaves something to be desired.

“Nobody seems to care,” says Pat Moran of his experiences of dealing with welfare officers. “Their attitude is, ‘If you don’t get your money, tough.’”

The State's attitude towards its citizens is a bone of contention for many jobseekers, it would seem. In a situation where unemployment affects 14.6 per cent of the population and spans age, gender and social classes, some welfare recipients feel that State have over-simplified people's situations so that they may slot them neatly into a designated box.

Alice Henahan is 21 years old. Despite having graduated from college and moved from Sligo to Dublin, where she now shares a cottage in Stoneybatter with her boyfriend, Alice must survive on the standard Jobseekers Allowance rate for 18 – 21-year-olds: €100 per week. She is looking forward to turning 22 in a few weeks time when the rate she is entitled to will increase to €144 per week. In line with the last State budget, it is only upon Alice's 25th birthday that she will be entitled to claim the full Jobseekers Allowance rate of €188 per week.

As she sips cheap coffee and rolls a cigarette, she looks out across a lake in Dublin's Phoenix Park, a location she has chosen because her dole has been pushed back due to a bank holiday and, she says, "It's cheaper than a café". She explains how she feels about being an adult who has to subsist on less than a third of what she would earn in a week working for minimum wage.

"There is a sort of logic that they [*the Government*] think we have parents who are looking after us and that if you are under 22 you should be at home with your family and they should be responsible for you; which isn't the reality for most people. I think the Government are blind to the fact that there are people who have been living independently from the age of 17 or 18."

Alice feels that her family's attitude towards her situation has been somewhat dismissive. Older relatives accuse her of being too picky and siblings question why she doesn't emigrate. She says it is both frustrating and upsetting to know that her family think she is just being lazy.

"To keep having to repeat, 'You don't know how many jobs I've applied for'; it makes me feel like I'm guilty of something that I have to keep defending myself for," she says.

Although Alice is too young to have any memory of the 1980s, her words are reflected by others who know only too well the hardships of unemployment through both this recession and the last.

Pat Talty agrees with Alice's sentiments about being pigeon-holed. The 53-year-old former guidance councillor was made redundant last year after his organisation's sponsorship funding was withdrawn. The English twang in the Clare man's accent is a reminder of his exodus to the UK during the last recession following a long period of unemployment in Ireland.

He says that the Government doesn't help to humanise people in his situation at all. "You're not seen as an unemployed person," he says. "It's broken into categories: long-term, short-term, age demographics..."

"I'm not ashamed to be unemployed, but I worked too hard to gain my qualification and build up a career to be labelled as simply 'unemployed'. It's counterproductive and gives fuel to weak, single-minded people to conjure up notions of inadequate people sponging off the State," Pat says, compounding the INOU's Bríd O'Brien's earlier comments about the risk of Irish workers losing their empathy towards the unemployed.

With such disquiet brewing amongst the unemployed masses and with many of them feeling that the State's attitude is less-than-sympathetic towards their plight, you might expect to see more regular public protests on the issue.

Bríd believes that the lack of public demonstration can be put down to people's fears of being identified as unemployed.

"The stigma has not been shed," she says definitively. "One of the things people ask us is why we aren't organising protests on the streets, but the reality is that people won't march around their unemployment status.

"So unlike other issues where you can have, say, gay pride or disability rights or Traveller's rights, by and large, people will march up and down to beat the band over their local schools and hospitals but they won't necessarily come out around unemployment; particularly if it will be seen as their own unemployment," she says.

Pat Talty poses the belief that this may be the result of a hangover from the protests of the 1980s.

"People are scared to protest," he opines. "In the late '80s the INOU and the Social Employment Scheme organised a march against unemployment and FÁS warned people that their pay would be docked if they were seen in the streets protesting," he recalls. "I

think that mindset has stayed with people. No matter how subtle, there's always that underlying threat that you're not in charge of your own destiny."

In 2011, though, it could be argued that people are very much in charge of their own destinies. With air travel so much easier and more affordable now than it was 25 years ago and a far-flung Irish diaspora to act as a support network for the some 50,000 people who are predicted to emigrate by the end of this year, if people are fed up with the attitudes of both their Government and their fellow countrymen here, why don't they just leave?

Most of my friends are in England or Holland or Canada; everyone's gone," says Alice Henhan. "But I don't feel like I should have to leave; this is my home and I want to stay."

Ends.

*Name has been changed to protect identity.

Feature Two

Into the Great Wide Open What's Next for Ireland's School-leavers?

We've all heard that tired old line that gets passed down from one generation to the next: "Your school days are the best days of your life."

Young men and women are constantly told not to worry about what lies beyond the assembly hall.

"Just keep your eyes on the prize."

The prize being that bastion of the Irish education system: the Leaving Certificate.

But with the outside world's harsh reality becoming increasingly difficult to sugar-coat, is it time to let the next generation in on the secret?

There is no magic job generator for school-leavers who emerge wide-eyed and brimming with ambition as they clutch that certificate that they worked so hard to get.

In fact, the most that many of Ireland's school-leavers can hope for in the way of work today is a good internship or work placement that might steer them in the direction of a job after a year or so of hard graft, for free.

Either that or they can emigrate, where they might earn minimum wage for, say, long hours spent picking cherries on a fruit farm. Because unless they go armed to the teeth with qualifications, employers aren't going to greet Ireland's youth at the airport waving a tricolour.

College isn't for everyone; nor is it a requisite for employment.

But gone are the days where an enthusiastic woodwork student could start into his carpentry apprenticeship before the ink had even dried on his peers' CAO applications.

The way things stand, opportunities are becoming increasingly narrow for school-leavers who choose, for whatever reason, not to progress to third-level education.

"There are no apprenticeships out there," says Brian Kenna, a youth councillor with the Health Service Executive (HSE) based in Meath.

“Apprenticeships are virtually gone because there’s no long term viable future in the trades: bricklaying, plastering, carpentry, plumbing... All the big traditional industries are gone; manufacturing is gone; film production is gone. The public sector, which would have soaked up young people after their Junior or Leaving Certificate, that option is gone now too.”

It would seem like there are few prospects left open to those for whom college is not an option.

Paul O’Brien* is all too aware of the difficulties that come from leaving school with only his Junior Certificate.

Having dropped out at the beginning of 5th year when his girlfriend fell pregnant with their now-two-year-old daughter, Paul says that he “couldn’t stick school”.

“Bad move though,” he reflects. “Big mistake.”

On a particularly bright day in early summer, Paul has returned to the north Dublin school he walked out of three years ago.

Amid the hum of chatter - gossip about last week’s 6th year graduation and plans for this year’s Oxegen festival - the group of ten 5th and 6th year students that have assembled in a sunlit classroom listen to Paul’s advice: Stay in school. Get your Leaving Certificate. Go to college.

“Especially now, the way it is,” says Paul. “There are too many people applying for the same job.”

As the congregation of young men shift uncomfortably in chairs that were made to support limbs much shorter than their sprawling legs, their schoolboy bravado and jokes about being happy live off their mothers’ money for the next 20 years lulls and dissipates as Paul’s story brings the realisation that they will soon lose the security that school affords.

Not that the thought hadn’t crossed their minds before. Is the group nervous about what the future holds?

“I am,” says one of the students. “There’s no jobs going; everybody’s just going to end up on the dole.”

With all 10 coming from families where a college education is a rarity, most don't see third level study as part of their immediate plans.

Andrew* is in 5th year. He wants to try to get a job before he finishes school. He says that he will be happy to do "anything", as long as he doesn't have to go to college. "If it's like school I don't know if I could stick it," he says. He has considered going to America to look for work when he finishes school this time next year.

The Economic and Social Research Institute (ESRI) estimated in their quarterly report published in January of this year that 50,000 people will emigrate from Ireland by the end of the year. If this transpires, emigration in 2011 will surpass the figures reached at the peak of the 1980s recession, when 44,000 people left during 1989.

Although Paul recently found work as an apprentice plumber, he doesn't foresee his position lasting and says that emigration has been the next step for many of his former co-workers, all of whom had been let go after completing their apprenticeships.

"Construction's gone down the drain," says the plumber.

"Half of the lads I worked with who have finished their apprenticeships are out of the country. Two are in Canada and one is in America. The minute you qualify, you get ten weeks and then you're gone."

Catherine Fox, Assistant Principal at Cavan Institute of Further Education, agrees that apprentice tradesmen are being left high and dry as a result of widespread unemployment.

"If you take somewhere like Cavan, there are a high proportion of construction companies that would have originated there," says Catherine.

"It's an entrepreneurial place with a lot of subcontractors and self-employed people. A lot of them would obviously have gone through tough times over the past few years, or folded completely, so a lot of their staff who would have gotten to where they were through doing an apprenticeship now find themselves suddenly out of work with no qualifications. They know there might be a job in London or Australia but they need the papers and there's no way they can finish their apprenticeship without an employer."

With little chance of work on the horizon and college not on everyone's cards, if school-leavers decide to stick it out in Ireland, what options are they left with if they are to survive as they make their debut in the adult world?

The classroom group unanimously agree that they know more people who have turned to selling drugs over the past two years; a development they deduce as being at least in part due to a lack of legitimate jobs.

"It's rampant around here," says one student.

"I'm sick of going to the pub on a Saturday night and seeing two separate queues: one for snorting coke and one for taking a piss," says another. "They're even snorting it at the urinals now."

By all accounts, there is no shortage of customers and a move into the increasingly violent drugs trade could prove a dangerous but lucrative step. But it's easy to correlate crime with unemployment. We've all read the newspaper headlines that scream sensational conjectures like "Ex-Banker Goes on Gun Spree Due to Joblessness".

But does unemployment necessarily cause a spike in crime rates?

Superintendent Colette Quinn, director of An Garda Síochána's Juvenile Diversion Programme, says that there is no evidence to suggest a link between unemployment and a rise in youth crime. She does say, however, that considering unemployment rates only began to rise in 2008, it may be too early to tell.

A study on the links between youth unemployment and crime, published by the Swedish Institute for Social Research in April of this year, found that, in contrast to most previous studies, "joblessness explains a meaningful portion of why male youths are overrepresented among criminal offenders".

A 2007 UK study published by The Prince's Trust suggests that there is "an inextricable link between unemployment and crime" on the basis that "simple economic models suggest that declining labour market opportunities increase the incentive to engage in economically-motivated crime."

Clearly, the argument that youth unemployment leads to higher crime levels is divisive and inconclusive at this relatively early stage. But, theory aside, would any of the

classroom group consider going down the route of criminality in the absence of lawful work?

“I’d probably do it, if I couldn’t find a job,” says one of the 5th year students. “At least you’re getting some money,” he reasons. The comment doesn’t want for rebuttals.

“And what happens when you get caught?”

“I’d rather have no money than sell drugs.”

“I’d rather work for minimum wage than sell drugs.”

A loaded silence falls over the classroom as walls covered with maps, drawings and charts of varying academic disciplines seem out-of-step with the topic of conversation.

The group seem uneasy with their peer’s admission and, conclusively, another of the students says to him: “That’s a stupid thing to say, you shouldn’t have brought that up in this room.”

The topic of conversation is closed.

“You can’t underestimate a young person’s perception of the world,” stresses youth councillor Brian Kenna.

“Young people are in schools now and they have no sense of a future. And when you take away their sense of a future, when you take away their ambition, their self-esteem drops and they have no belief in themselves.”

“I know what I’m going to do when I finish school,” announces one young man to the classroom roundtable. “Sit around bored in me gaff and go to the pub on the weekends.”

Although his prediction prompts a collective laugh, all of the students acknowledge that the situation is a distinct possibility.

“So why not go to college?” says society.

For some, the cost of college can render it an unattainable option.

Sean Ryan*, a teacher at the school where our group of soon-to-be school-leavers learn their daily lessons, advocates that there is a “middle class bias in all education, but especially at third level.”

“If the lads here want to go to university, the chances are that they don’t have a brother or a cousin who has gone before them, whereas people from middle class areas would usually have that support” says Sean, who has mentored some of the group on a one-to-one basis.

“It’s nobody’s fault ... but it’s something that third level institutions need to look at. It’s a big deal for people who don’t have that support.”

Brian Kenna agrees that lack of support is a major factor in young peoples’ decisions not to follow through to further education; both from within the family home and in terms of Government-funded support systems.

He says: “What’s happened is that many of the support services that were in place have now been withdrawn by the Government. Midway through the previous Government’s five year stint, they started to withdraw money from the services that had been in place to address long-term unemployment, early school-leaving, long-term youth unemployment and schemes to support socially marginalised communities.”

With Government purse strings being pulled tighter every day and school-leavers becoming increasingly unsure of what lies ahead, it comes as no surprise that they might contemplate all opportunities. In fact, it seems the sensible thing to do.

But with college still so out-of-reach for many and a jobs market that is as desolate as a post-Celtic Tiger ghost town, what options do they have?

Armed with just a Junior or Leaving Certificate and a sense of hope, the choices are narrow.

As Paul O’Brien leaves the classroom and sets off to collect his daughter, his former teacher hollers after him to tell him to come and play football with his ex-classmates soon. Paul promises that he will.

As the outline of the young father fades into the haze of the afternoon sun, his one-time mentor whispers under his breath that his intelligent ex-pupil “could have gone to university”.

Perhaps, with the right supports in place, someday Paul will.

For the meantime, though, in his eyes, the prize has shifted from completing the Leaving Certificate to the altogether more grown-up concern of finding a means to support his family.

Ends.

*Names have been changed to protect identities.

Feature Three

Brains to Burn

Is Further Education the Answer?

Ann Hayden is excited about starting college.

The 50-year-old will commence a year-long full-time course in management and business communications this September at a college close to her north Dublin home.

It was a guidance councillor at Ann's JobFit programme, which she joined after losing her job at a printing plant, who first suggested to the grandmother-of-four that she return to education.

Ann's initial reaction was that she was "too old" but, with bleak prospects for the unqualified, she soon changed her mind.

"For young people it's hard enough, but when you're sending off a CV with your date of birth on it people look at it and say, 'sure she's 50, there's no point in interviewing her,'" says the petite brunette, who could pass for ten years younger.

Ann hopes that holding a third-level qualification will help her to stand out from the crowd in today's competitive jobs market. Far from being in the minority, she will join the scores of people choosing to return to education as an alternative to reposing in the dole queue.

In circumstances where unemployment has stricken 14.6 per cent of the labour force, everyone from grannies to guidance councillors are advocating further education as a means of riding out the recession, student-style.

But, in a country where architects have morphed into waiters and barristers have become baristas, is up-skilling actually going to do any good?

These days, it is not uncommon to see 400 people apply for one job to wash dishes in a local take away, as was the case in Donegal last spring when Charley's Chip Shop advertised a temporary vacancy. Nor was the news that over 1,000 people applied for 24 jobs in the newly-opened Movies@Gorey in Wexford particularly surprising.

Faced with such competition, many jobseekers feel that further education will give them the edge they need to snare that job.

This was the case for Rob Kenna, who decided to return to college in September 2009. With a background in construction, Rob had spent years plying his trade in New York before returning home to Dublin to find that building jobs were few and far between.

“After a while of banging my head against a brick wall and sending out my CV for every conceivable job - and rarely receiving an acknowledgement, never mind a reply - I decided it was time to re-educate myself so that I would be in as good a position as possible when the mythical green shoots that we were being promised finally appeared,” says Rob.

The 30-year-old had initially wanted to study social science, but instead signed up for a four year part-time degree in business information systems and computer science; encouraged by a Government-funded scheme to help unemployed people return to education.

The Labour Market Activation Fund – this year to be re-branded the ‘Springboard Programme’ - provides free college places to unemployed people, with a strong focus on courses geared towards arming learners with the skills necessary to find work in the IT industry.

Under the new scheme, the objective is to retrain people with backgrounds in “construction, manufacturing or other sectors of the economy where employment levels are unlikely to recover to pre-recession levels,” according to a press release issued by the Department of Education and Skills.

Rob says that his ultimate decision to eschew social science in favour of the IT-based degree was due to the fact that he had a “good working knowledge” of computers and also because, he says, “that’s where I was being told the jobs were, and were going to be for the foreseeable future.”

With the future pointing towards a digital recovery, and incentivised by the Government funding schemes, many more like Rob have been scuttling in the direction of universities nationwide in the hope of setting themselves above the competition.

But with a multitude of courses cropping up in areas such as web design and digital marketing, we will end up with a situation where there is a surplus of qualified people, all searching for jobs in a concentrated sector?

Derek Larney of Prudent Recruitment, who specialises in staffing the IT sector, says he can foresee a scenario where the industry becomes saturated.

“It’s at the stage where every man and his dog is a web designer,” he says, “kind of in the same way that every man and his dog would have been a labourer five or six years ago.

“I can see a situation where people are going down the road of doing a web design course or social media training and there probably isn’t going to be the jobs there for them unless they are very, very talented at what they do.”

In a bid to set themselves apart, it would appear that a slew of jobseekers are ironically surging forward in the same direction. With so many educated people vying for the same job, will a degree be enough to impress?

Derek advises that people hoping to make their mark in the IT industry set their sights at the higher end of the education spectrum if they wish to build a successful career.

“A degree is getting less valuable, because a master’s is the new degree to be honest,” he says. “A master’s is almost expected now.”

Derek’s observations are substantiated by the fact that there has been an upsurge in the amount of places being filled on postgraduate courses. The Higher Education Authority (HEA) reported a rise of over 10 per cent in enrolments for postgraduate courses in 2009-2010 in comparison to the previous academic year.

Robert Ward, Director of Marketing at the National College of Ireland, has noticed the increase.

“There has certainly been an overall rise in terms of people opting for postgraduate level qualifications,” he says. “We are offering more and more master’s programmes because there is a demand for them.

“It’s a bit of a stretch to say that a degree is the new Leaving Cert.,” he says, “but for a lot of roles a master’s is the bar.”

The merits of weathering the economic storm by working towards the day when you can add a string of letters after your name is certainly a worthy pursuit, but is it necessarily the right course of action for everyone?

The reality is that different people are suited to different professions and sometimes, you just can't force a circle to be a square.

After a year, Rob Kenna dropped out of his degree course in computer science. He felt that the course was moving too fast for him and that it was perhaps aimed more towards students with a professional knowledge of the IT industry.

"I took a shot and missed," he reflects, "but I'm determined to make my second chance count."

Rob intends to return to college this autumn to study his original preference, social science. Already, he has been studying the coursework after requesting the reading list and buying the relevant books online.

"This is something I feel I will be much more suited to; I felt as if I was swimming against the tide in my last course," he says.

On average, 15 per cent of students do not progress beyond their first year at HEA institutions. Some one in four students who start a third level computer course fail to complete the term, according to a report published last October.

With such substantial dropout rates, how can jobseekers ensure they are giving themselves the best chance possible while still staying true to themselves?

Aside from committing to a three or four year degree or postgraduate course, there are shorter term options to be explored.

Catherine Fox, Assistant Principal at Cavan Institute for Further Education, says that Post Leaving Certificate (PLC) colleges are "very much on-the-ground and connected to the industry".

"Employers tell PLCs that they need graduates with certain skills," she explains. "The PLC colleges are able to take a different module or subject from the FETAC [*awarding body*] list and put it on a course in time for September. They can react instantly."

Catherine met with a beauty spa owner last year who told her that the graduates she had hired from Cavan Institute were very competent, but they lacked retail selling skills.

“I promptly went back to my timetable and with a bit of jiggling around I added an extra hour. We were then able to deliver ‘customer service and retail selling’ as a module,” she says.

Compounding comments made in the recent Jobs Initiative announcement, Catherine ascertains that there is demand for qualifications in the services industry. “Beauty therapy, childcare, cookery...” she lists.

“I had a girl from Galway who had completed her degree in business and she came back to do ‘fashion, design and make-up’ with us,” cites the assistant principal as an example. “She gained a professional, industry-recognised qualification with us and she is now working as a make-up artist.”

Catherine upholds that PLC courses are the perfect way for people who are unsure of what their next step towards should be to “test the waters” to determine whether a certain career path is for them or not. National College of Ireland’s Robert Ward agrees that a three or four year degree course is a “huge commitment” and advises those seeking to undertake one to ensure that they are well-informed about both the course and the workload that it will carry.

Catherine makes a compelling case for advocating PLCs as an option for jobseekers who are uncertain whether to follow their heart or their head, educationally speaking. She says that Cavan Institute’s enrolment figures have been increasing year on year due to the sheer range of courses that they offer.

For Ann Hayden, her test will begin this September. She says that, although she is looking forward to learning new skills and meeting new people, she hopes it will be worth her while.

“I may as well do it, but I might never get a job. I don’t know if I can see myself in management,” she laughs.

The guidance councillor who first spurred Ann on to pursue further education did so after she had read an essay that Ann wrote on the topic of homeless people in Dublin.

“I’d really love to be a writer,” Ann says, after a pause.

Her admission comes slightly out of left field for someone who has just signed up for a course in management and business communications. So why didn't Ann opt to study something more in-line with her ambitions towards becoming a writer?

Ann says that she "needs to do something to keep her brain active", and that because her guidance councillor signed her up for the business management course, she felt she should follow it through.

"I might do a creative writing course when I'm done", she says, "I really would love to be a writer."

For now, though, Ann hopes that her soon-to-be-honed skills in managing teams and highlighting corporate ethos will help her to stand out to prospective employers on her quest for employment.

Feature Four

Slaves Wanted

Are Work Placements the New Jobs?

Pamela Ryan is 40 years old. She holds a degree in software development and is currently studying at night for a post-grad in web technology.

For the past nine months Pamela has been running a library in a Waterford college, for free.

Having previously managed the helpdesk of a large multinational, Pamela was made redundant when the company upped sticks and moved its operation to India.

Having exhausted all other avenues without success, she decided to look into the benefits of taking part in the FÁS Work Placement Programme (WPP).

The scheme operates on the principle that participants are entitled to retain their full social welfare allowance whilst “gaining valuable experience in a workplace setting,” according to FÁS’s website.

For Pamela, the valuable experience she was promised has failed to transpire.

“I was told I would be a ‘Library Assistant,’” she says. “But I’m actually the only person in the library; I have all the responsibilities.”

Pamela received one hour training when she began and now singlehandedly mans the library 40 hours a week, bar when members of the college’s teaching faculty relieve her for her break; a task for which they receive payment.

It has been made clear to Pamela that there will not be a job waiting for her at the end of her placement, she was told this from the beginning.

Her experiences of the scheme have left Pamela critical of what she now refers to as the “Slave Scheme”.

“You feel good at first for being in a routine,” she says. “But that wears off after a while and you resent not having any money at the end of the week.

“We’re not designed to work for free.”

But with unemployment at 14.6 per cent of the labour force, many people are finding that they have little choice but to work for free.

As Pamela points out, though, those who partake in unpaid placements or internships are not merely maintaining their financial status quo, most are actually *losing* money through the expenses of an average working day's subsistence: transport, lunch, coffee break...

Enter the newly-revised 'National Internship Scheme', brought to you by the soon-to-be-evaporated FÁS. The new scheme, to be introduced on the 1st of July this year, mirrors the Work Placement Programme in all but one aspect: 'interns' will receive a Government top-up of €50 per week in addition to their existing social welfare payment.

For many, the extra €50 will be a major incentive to take part in the scheme. And none more so than the employer - or 'host organisation' - as not a penny of the extra payment will come from their revenue stream.

The previous Government had initially drafted a Work Placement Programme reform, tentatively titled the Internship Development Programme, which they had worked into their December 2010 budget. This programme was to have included not only a social welfare top-up of €50, but also an additional €100 from the host organisation, which was to have been designated to a training kitty for interns.

"With the first scheme, the intern was going to be €150 better off," says Cathy English, Assistant Manager at FÁS's Employment Services Policy Unit.

"But because the country is bankrupt, the new Government have brought out a format of internship whereby they [*the interns*] can go into a company for between six and nine months, but there's no contribution from the employer."

It begs the question: By topping up interns' social welfare payments with taxpayers' money, are FÁS merely keeping the grumbles of unhappy interns like Pamela Ryan quiet, while the host organisation gains a perfectly effective 'employee' to whom they don't have to pay a cent?

Interns under the new scheme will be coming out with a potential €238 in their pockets provided they qualify for the full Jobseekers Allowance/Benefit - €50 more than they would have on the dole and just €86 less than they would for working a full week on minimum wage.

This does seem somewhat out of sync with the objective of the National Internship Scheme.

By all rights, the scheme is in place to give people an opportunity to “gain valuable experience” on a relatively short-term basis; experience which they can then use to bolster their CV and find a paying job in a related field.

That’s certainly the objective that the current WPP participants signed up for.

One might wonder if the original WPP participants aren’t a little put out by the fact that interns on the new National Internship Scheme will receive an additional crisp €50 for subsistence each week while they whittle away large parts of their dole on bus tickets and vending machine coffee.

Cathy admits she has been fielding calls for weeks from disgruntled people on WPP schemes. She has been trying to keep their concerns at bay by telling them that “in terms of the WPP, FÁS are in discussion with the Department.”

“We are trying to ask the question, ‘what happens to the WPP now?’” she says. “Are we going to absorb the people in WPPs into the new programme so they can get their €50?”

Although the new scheme is due to launch in little over a month, some of the finer details are still in flux.

One of the major flaws with the current WPP scheme seems to be the lack of parameters in terms of what type of positions companies can fill using WPP candidates.

Over the past few weeks, there have been advertisements for shop staff, waiting staff and kitchen porters on the WPP site; jobs that would have traditionally paid minimum wage.

Some of these companies were contacted ask about the “valuable experience” they would be offering to successful WPP candidates, but none chose to comment.

Brid O’Brien, Head of Policy and Media with the Irish National Organisation for the Unemployed (INOUE), is worried about the lack of regulation in this regard.

“It is important that when they are developing initiatives that they really try to make sure that there are links between where the jobs of tomorrow are likely to be,” she says.

Cathy English insists, however, that guidelines regarding job descriptions are closely monitored and recalls one recent applicant that she had to refuse from looking for a WPP candidate through the scheme. “There was one that we got in for a window cleaner and they called it a glazing specialist,” she says, despairingly. “We checked it out and said ‘no way’. Maybe I’m wrong, but I don’t consider window cleaning a job of experience.”

Aside from aspiring glaziers finding out that they’ve signed up for nine months of squeegees and wrinkled fingertips, there is a more worrying aspect to the manipulation of job descriptions being advertised.

With employers’ profit margins contracting every day, one sure-fire way of trimming the fat is to cut back on their most expensive overheads: staff.

The INOU has expressed concerns over a rise in job displacement as a result of lack of regulation in the WPP scheme.

“We have had feedback from affiliates who are very concerned that people have been let go and then someone has been taken on through the WPP to replace them,” says Bríd.

“Affiliates around the country have noticed it in their local pub or bank or restaurant. They are aware that staff have been let go and then they see ads through the WPP.

“What FÁS has said is that when they have investigated things it wasn’t quite the same job, but whether that’s a case of people playing games with job descriptions when in fact it is the same job is debatable.”

Job displacement is a huge concern for all involved in both the monitoring of the current WPP scheme and the development of the new programme.

With the new National Internship Scheme, will this practice be nullified?

Under the new scheme, companies will have to declare and provide proof that they have not made any redundancies in the two months prior to expressing their interest in becoming a host organisation.

There is a case to be argued that two months is very little time for a business to have to wait from the day when they cut loose an employee to the point where they are in a position to apply to become a host organisation to an intern under the National Internship Scheme.

“We are very aware in FÁS that there are rogue employers out there,” says Cathy. “We are trying to develop standards and guidelines and there is still a lot of uncertainty.”

As it stands, there is little evidence to suggest that FÁS’s internship and placement programmes actually create jobs. Of course, participants are gaining excellent experience in some cases but, with such scarcity of jobs on the horizon, what use is the experience they are gaining going to be?

With such strong incentives to businesses to use the placement and internship schemes to staff their operations, will people be perpetually unemployed as a result of this scheme actually *discouraging* job creation?

Not everyone thinks so.

Ray O’Connor secured a job with financial institution Citigroup after spending just six months on a WPP scheme there.

“I went for six or seven internal vacancies,” says the 35-year-old who is originally from Ennis, Co. Clare.

Ironically, Ray left Citigroup almost ten years ago to travel the world after completing his degree by night. He had been an employee working in the banking giant’s message, receipt and control Centre in Dublin’s IFSC.

After meeting his wife on his travels, completing a H.Dip. and a stint in the UK working as a business studies teacher, Ray returned home to settle down in Ennis.

After two years of unsuccessful job-hunting, Ray one day spotted an ad for a FÁS WPP vacancy at his old haunt. Ray applied and got the placement.

“It was fun,” he recalls. “To be quite frank, I felt a bit of a fraud initially because I already had the experience. It was a gamble in one sense. I wanted to get a job there so I had to make the best of the situation and try to see what I could get out of the opportunity.”

The opportunity did indeed present itself but not without sacrifice.

Ray spent the six months of his WPP living in rented accommodation in Harold’s Cross at his own expense, travelling back to Co. Clare most weekends to see his wife.

Although his gamble paid off and Ray is now once again gainfully employed by Citigroup, his salary now is less than the one he had left in search of adventure during the boom years.

“I went in with the mindset that I was going to make the most of the opportunity,” says Ray.

“I can see the argument for exploitation, but I didn’t experience it.”

Ray still sees his wife most weekends when he commutes back to Ennis.

Experience can be a great thing, and working, even for free, sure beats sitting around drinking tea and watching Jeremy Kyle.

But with internships being such a young concept in this country and with every business out there desperate to make cut backs wherever they can, the idea of ‘free staff’ seems to be too tempting even for the most ethical of employers to pass up.

It would be nice to think that the National Internship Programme is being developed with the aim of easing the jobs crisis and getting people back to work again; or at least setting them on the right road.

But with a launch date fast approaching, and the only certainty being that businesses won’t have to contribute financially at all, it makes you wonder whose interests the policy-makers really have in mind.

Let’s hope it’s the jobseekers’.

Feature Five

Do It Yourself

The Rise of Enterprise

Leah Cullen first began to explore the possibility of becoming her own boss after a bad experience caused her to leave her job in a Dublin advertising agency in 2008.

The amiable blonde had worked for her employer for three years before she was stricken with encephalitis; a debilitating virus that causes irritation and swelling of the brain.

Although she only missed two weeks of work due to her near-fatal illness, her side effects persisted, with memory loss becoming the catalyst for the harassment that would cause her to eventually quit.

“My boss began making snide remarks about me and commenting loudly to colleagues that my memory had become a real problem,” says Leah. “I had heard that she could be a real bitch but I had never imagined it would be that bad.”

Although her ordeal happened over three years ago, her voice still cracks at the mention of her former employer.

“I wasn’t fired as such... but I was definitely forced out. I was made to feel like I had no choice.”

So Leah left her seemingly secure job in advertising.

If she had realised then that her decision to quit her job was running parallel to the worst jobs crisis this country has ever know, would she still have left?

What began as a logical decision to swap a hopeless work situation for brighter horizons developed into an exasperating two year job search for the now-34-year-old.

Like so many others in her position, Leah was confronted with the realisation that ‘unemployment’ was not merely a media buzz word.

Faced with the prospect of joining the 153,900 people who have been out of work for more than a year in this country, accounting for the highest long-term unemployment figures in 20 years, Leah decided to take matters into her own hands.

Having worked as a driving instructor during her early 20s, Leah started to put into action a business plan that she had come up with years before.

“Intensive courses are the proven method of ‘turbo-boosting’ your learning experience, giving you more driving time for your money!” boasts the website of Leah’s company, Horizon Driving.

The plan was simple: she would give intensive driving lessons, turning clients into competent drivers faster than traditional driving schools and at a fraction of the cost.

“People kept warning me that I shouldn’t start a business during a recession,” she says. “But I had to; I had no choice.

“I figured people still need to learn to drive, recession or not. Their money is as good in my pocket as it is in anyone else’s.”

Indeed, the services industry is something that has remained somewhat steady throughout the recession.

Of course, due to the sharp dip in the personal finances of most of the country’s citizens, the nature of those services has had to adapt to suit the market.

Gone are the days of ‘because I’m worth it’ amenities such as nail bars on every street corner and limousines to hire just for the heck of it and in their place are more practical - some might say more essential - services such as, well, competitively priced driving schools.

Paschal McGuire of Enterprise Ireland says that there has been a notable change in the types of businesses that sole traders have been endeavouring to establish.

“You have everything from people trying to set up local taxi businesses to landscape gardening and all sorts of other things that are happening on a local service level,” he says.

“This is occurring largely as a result of downsizing of larger companies. You get people setting up businesses who wouldn’t necessarily have any prior experience of being self-employed.”

Aside from producing unlikely entrepreneurs, unemployment can sometimes be a fresh start for those weary of the unprofitable rat race.

Paschal figures that once people experience a life-changing moment, like being out of work for the first time in their lives, they tend to look to other talents or skills that they might have.

“The openings may not exist for the skills they’ve been utilising in the business they were in,” he says.

Sean Gallagher took the opportunity to put his green fingers to good use when the downturn spelled the end for his construction company.

Sean had worked in the building trade since leaving school. His 40th birthday coincided with the downturn in the industry and, for the first time in his life, Sean found himself struggling to find work.

Having grown vegetables in his garden in Kildare as a hobby for as long as he can remember, and noting the rising interest in people looking to ‘grow their own’, he threw himself into figuring out how he could turn his hobby into a viable business.

By the time Sean’s final building contract was wrapping up, he was ready to launch Patchwork Veg; a company that builds custom vegetable beds in peoples’ gardens.

“I’d describe myself as a socialist-capitalist,” muses Sean.

“I think a company can make money, but it doesn’t have to be billions; nobody needs billions.

He says that his income had fallen so low that he found himself in a situation where he was just about managing to feed his two young children. “I’m the oldest of a family of 13 and I know what poor is. I promised myself I’d never be poor again,” he says with a steely resolve as he goes on to explain how an interest in technology was invaluable as he developed his business.

Sean speaks proudly of his website. Patchworkveg.com provides not only pricing and information on the services that Sean’s company offers, but also advice on how to grow and maintain your own vegetables. One post on the site, entitled ‘If Barack Obama Can Do It, So Can You’ and filed under the category ‘Benefits of Growing Your Own Vegetables’, encapsulates not only Sean’s ambition, but also his positivity for the future.

“I was clearing a profit of nearly €450,000 per year in the good times. Now, I’m just about keeping my head above water,” he says without a hint of bitterness or regret. “It can be stressful, but it’s a different kind of stress. I get to see my wife and children now and the business has opened my mind up.”

Sean used to carry two phones; one for business and one for personal calls. At night, he would turn off his business phone and try to leave the day behind him.

“If a call about a building job came in tomorrow, I’d have to think long and hard about doing it,” he says.

Sean leaves his phone turned on in the evenings now.

With more and more people choosing self-employment over unemployment, it does pose one glaring question: where does the money come from?

With a veritable lockdown on bank loans, would-be entrepreneurs need to find more innovative ways of financially paving their path to success.

Although supportive of sole-traders, “Enterprise Ireland’s main concern is exports,” says Paschal McGuire. Focusing on “high potential” start-ups, the Government organisation provides funding to high profit return companies that can viably employ more than 10 workers.

If a starter company with a faculty of 10 little unattainable, however, there are plenty of alternative funding routes to explore.

Leah Cullen successfully applied for €17,000 investment capital from First-Step after she participated in one of the microfinance company’s business development courses.

First Step was founded by Norma Smurfit in 1991 with the purpose of helping small businesses survive in post-1980s Ireland where the last recession had left a hangover of unemployment that climbed above 15 per cent in July of that year.

Two decades later, and with the statistics almost mirroring those of 20 years ago, First-Step is once again becoming an important port-of-call for entrepreneurs seeking capital of up to €25,000.

Leah says that although the application process for funding was quite stringent, she found it to be fair and unintimidating.

“I submitted a business proposal and attended an interview to put forward my idea,” she says. “After that it was just a matter of waiting to hear back.”

A number of websites advertising funding for small businesses have cropped up of late, many rely on the ‘angel investor’ system whereby an individual or small company floats a business proposal and waits to see if it is picked up on by an individual private investor.

Paschal advises the local county enterprise board as being the first point of contact for any sole trader looking for advice on funding.

With such a litany of pitfalls to be avoided and hoops to jump through, it begs the question: Why would anyone voluntarily choose to go-it-alone in such a volatile business environment?

When Andrew Corry left his job to set up Corry Estates in September 2009 his fiancée told him he was insane.

With the property market in freefall, family, friends and even relative strangers warned that it was a bad time to launch an estate agency business.

“When I went to collect my first batch of business cards, the printer tried to sit me down and talk sense into me,” Andrew recalls. “He said to me, ‘Look, do you know what you’re doing?’ and I had to assure him that I did.”

I wasn’t too nervous,” he laughs with a relieved humour that only hindsight can afford. “I’d been in the business for six or seven years so I knew exactly how I wanted to go about it.”

The rental of the premises that Andrew had settled on for his office almost fell through a week before he was due to commence his tenancy.

Having handed in his notice to a well-established, albeit declining, estate agency in north Dublin, and with a mortgage to pay and a wedding on the horizon, Andrew’s fate could have taken an unfortunate turn as he approached his imminent nuptials.

“I would have been left high and dry; then I would have been nervous,” admits the 29-year-old as he absentmindedly fidgets with a Waterford Crystal pen holder that sits on his desk; a gift he received as a token of ‘good luck’ that now somehow seems poignant in the wake of the fate befallen by the iconic glassblowers.

Yet despite an economic landscape fraught with uncertainty, it seems that people are using the opportunity to take a step towards professional independence that they may never before have considered.

“More and more people are actively seeking to become employers rather than employees. That’s to be welcomed because we need to have entrepreneurial activity ongoing all the time,” says Paschal of Enterprise Ireland reassuringly.

Leah and Sean both freely admit that they decided to go-it-alone out of sheer necessity rather than unbridled ambition.

“When I first started talking about opening the driving school, people said to me, ‘you have to be passionate’,” says Leah.

“I wasn’t passionate about it, I did it out of desperation. Now that it’s up and running, though, it has turned into something I am passionate about and I’m delighted I was desperate enough to do it.”

There is no denying that desperation is a catalyst for change. With so many of Ireland’s citizens finding themselves out of work, many for the first time in their lives, the prospect of having a fully-staffed workforce once again seems a long way off.

But perhaps a nation of employees is a thing of the past and something that we shouldn’t necessarily strive to recapture.

Although the weighty, grey cloud of unemployment still looms ominously overhead, there seems to be rays of hope streaming through the gloom in the form of a new breed of entrepreneurs who have refused to accept a jobless fate.

Perhaps, as a country, our fate is best placed in the hands of those who are ambitious enough to risk everything in the hope of creating a better life for themselves, their families, and their fellow citizens.

Ends.