

Unemployment in Hampshire

A letter to the Herald, October 2009

Sir,

The slight fall in Hampshire's recorded unemployment rate last month is welcome news, though in part is a seasonal effect. Unemployment certainly remains a big issue. Though the number of Jobseekers' Allowance (JSA) claimants understates the true picture, even on that measure there are more than four job seekers in East Hants for every one vacancy at a Job Centre.

Decisive action is needed across the board, but the area of most worry is youth unemployment. In past recessions too many of the young people unlucky to enter the job market at a difficult time then struggled to get into regular work later on. This is not a political point; that has happened under governments of both parties. But it must not happen again.

Today, one in five people aged 16-24 cannot find a job.

There are many things that could be done to make a difference. Firms can be encouraged, through the tax system, to create new jobs. Self-employment is another possible route to work; young people often struggle to raise finance – but organisations like the Prince's Trust can help if properly funded. More apprenticeships and college and university places would help equip young people for the future.

The benefits system is far too complex, and sometimes gives the wrong incentives. It should be streamlined into a single back-to-work programme. And the Treasury rule that says new employment places can't be financed from the resultant savings in out-of-work benefits is counter-productive and should be scrapped.

Perhaps most of all, the system needs to kick in quicker – rather than having to wait a year, as under the Flexible New Deal. At age 18, the difference between six and twelve months can make a world of difference for the years ahead.

Yours

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