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THE MILITARY AFFAIRS COLUMN BY TIM DUNNE

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Tackling youth unemployment should be Job 1

The plot to launch a Valentine's Day homicidal attack on patrons of the Halifax Shopping Centre had me retrieve your article, "Lives of Nova Scotia's youth much worse than decade ago" from last October's Chronicle Herald.

The article, drawn from information in "[Nova Scotia's Children and Youth – Vital Signs](#)" paints a deeply disturbing picture of the future for this province's youth. The report was released last year by the Community Foundation of Nova Scotia.

A little more digging on the Internet shows that these problems are global. The BBC's business analyst, Jonathon Wood, reported in 2012 that in the European Union, youth unemployment rose to 23 per cent in August 2012. In the U.S., the rate decreased to 12.2 per cent last month from a high in 2012 of 17 per cent.

Similarly, too many of Nova Scotia's youth are unemployed and struggling with debt. In 2013, our unemployment rate for those under 25 was 18.3 per cent, almost one in five, Canada's highest. Students Nova Scotia reported that in 2010 university graduates carried an average debt of \$30,200.

The downturn in the economy and general unavailability of work – or the reduced pay that many entry-level jobs now provide – make these debt loads oppressive and difficult to repay. There are too few jobs here that would allow a recent graduate to earn a living wage after making payments on student loans. This forces our younger people out-of-province to find meaningful work elsewhere. Nova Scotia's economy is in danger of becoming based only on pensions and Employment Insurance benefits.

Youth under 25 everywhere are largely unemployed, and have continuously been at the helm of social unrest across the globe. Beijing's Tiananmen Square occupation in 1989, the Arab Spring, Europe's anti-austerity protests, the Occupy movement, the London riots of 2011, and the French riots of 2007, 2009 and 2011 are examples. Europe is in the worst economic crisis since the Second World War and the rolls of the unemployed have increased by 10 million, standing at 26 million, or 10.7 per cent of the European workforce.

The Athens-based economic think tank Bridging Europe pins the blame for this on the European Union's simplistic austerity measures, tight fiscal policies and restrictive trade practices. Global long-term unemployment is climbing again, and 12.5 million, half the number of unemployed Europeans, have been out of work for more than a year. Greece's

austerity program, by way of example, has resulted in 50 per cent of that country's youth being unemployed.

There are consequences to these stark realities. The TD Economics special report, *Assessing the Long Term Cost of Youth Unemployment*, underscores that unemployment as a person tries to enter the labour market damns that person to persistently lower wages for years afterwards. This wage penalty affects the broader community through immediate tax losses and reduced taxes coming from reduced wages.

Bridging Europe's research associate, Vena Nedeljkovic, wrote that being young and unemployed may lead to poverty, de-skilling, social exclusion and loss of motivation, as well as depression, an increase in drug and alcohol use and higher levels of crime among young people. As with most social phenomena, there is an acronym to describe the plight of unemployed young people: NEET – "Not in Education, Employment or Training." This makes for an easy quip, but this is no joking matter.

In the September 2009 edition of the *Journal of the European Economic Association*, Denis Fougère, Francis Kramarz and Julien Pouget opened their very comprehensive article, "Youth Unemployment and Crime in France" with a reference to University of Chicago professor Gary Becker's hypothesis that unemployed people are deprived of legitimate income, except for employment insurance benefits, and are more likely to acquire some income from illegal activities. They found that increases in youth unemployment has significant and immediate effects on crime. "To combat crime," they wrote, "it appears thus that all strategies designed to combat youth unemployment should be examined."

Studies about widespread youth unemployment note that it leads to disenfranchisement, discontent, disenchantment and disengagement and they point to linkages with increased crime and social unrest by this age group.

It should not escape our attention that the three young people accused of plotting the attack on the Halifax Shopping Centre, 23-year-old Lindsay Kantha Souvannarath, 20-year-old Randall Steven Sheppard and the deceased 19-year-old James Gamble, fall into the "under-25 demographic."

Our community's leadership – public, private and volunteer – needs to address these issues now. And government at all levels must change from creating new taxes to creating new taxpayers.

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