

Jeff Cuthbert AC / AM  
Y Dirprwy Weinidog Sgiliau  
Deputy Minister for Skills



Llywodraeth Cymru  
Welsh Government

Eich cyf/Your ref  
Ein cyf/Our ref JC/05518/12

William Powell AM  
Chair Petition's committee  
Ty Hywel  
Cardiff Bay  
Cardiff  
CF99 1NA

14 January 2013

Dear William,

### **Youth Unemployment in Wales**

Thank you for your letter of 14 December 2012 outlining a petition from Plaid Cymru Youth, regarding concerns about youth unemployment.

Our absolute priority in these tough times is to create jobs and enable growth. Increasing employment opportunities for our young people remains a key aspect of this priority for the Welsh Government.

As part of our Programme for Government, we have introduced measures to increase employment opportunities for young people. These measures include: establishing Jobs Growth Wales for young people aged 16-24, extending apprenticeship opportunities, and establishing key employability programmes such as Traineeships for young people aged 16 to 18 and Steps to Employment for adults aged 18 plus.

### ***Jobs Growth Wales***

Jobs Growth Wales was launched in April 2012 following a successful pilot. The programme aims to create 4000 jobs opportunities across Wales each year, for the next three years, for unemployed young people aged 16-24, giving them real experience of work for a 6-month period. Participants will be paid at or above the National Minimum Wage for a minimum of 25 hours per week. To date the programme has created 4570 job opportunities and 2540 young people have taken up these opportunities. I anticipate that many young people will progress from Jobs Growth Wales into Apprenticeships.

Bae Caerdydd • Cardiff Bay  
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CF99 1NA

*Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)*

English Enquiry Line 0845 010 3300  
Llinell Ymholiadau Cymraeg 0845 010 4400  
[Correspondence.Jeff.Cuthbert@Wales.gsi.gov.uk](mailto:Correspondence.Jeff.Cuthbert@Wales.gsi.gov.uk)  
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## ***Apprenticeships***

The Apprenticeship programme is a modern, high-value, 'in work' training programme and the Welsh Government is encouraging employers to recruit new apprentices via its Pathways to Apprenticeship programme, Young Recruits Programme, engagement with Anchor and Regionally Important Companies and via its Apprenticeship Matching Service.

We are committed to extending our Young Recruits Programme (YRP) initiative, which offers a wage subsidy to employers recruiting a 16-24 year old apprentice. The programme is available to support employers who are unable to recruit and support an apprentice due to the economic downturn. We have increased the number of places from 1000 in 2011/12 to 2000 in 2012/13.

The Apprenticeship Matching Service (AMS) is a web based service that enables employers to register their vacancies and AMS allows potential apprentices to search for, and apply for, apprenticeship vacancies online. The service is accessed through the Careers Wales website: [www.careerswales.com](http://www.careerswales.com).

Our Pathways to Apprenticeship programme offers an intensive, college-based option for young people unable to find an Apprenticeship place with an employer. We will continue in our commitment to increase apprenticeship opportunities through the Pathways to Apprenticeship programme, with a special focus on youth engagement and employment and tackling long term unemployment.

On 8 November 2012, the First Minister in a joint statement with Leanne Wood, Leader of Plaid Cymru, announced an additional £20m in the 2014-15 Draft Budget to support apprenticeships in Wales, targeted especially at those in the 16-24 age group. This is further to the £5m additional funding I announced to support apprenticeships at the National Training Federation Conference in October 2012.

I will be discussing with Plaid Cymru colleagues various proposals relating to this additional funding in due course. The petitioner's concerns about creating additional apprenticeship opportunities and the expansion of the Young Recruits programme will be considered.

## ***Employability Programmes***

The Welsh Government also introduced the Traineeship programme for 16-18 year olds and the Steps to Employment programme for adults aged 18 plus. These programmes aim to support the development of young people and adults by building confidence, improving employment skills and offering work experience with a view to the individual entering sustained employment or further training.

## ***Borrowing Powers***

The petition references the possibility of extending Local Authorities borrowing powers. Under the Local Government Act 2003, I can confirm that the extent of borrowing is actually controlled by local authorities themselves. There is no existing limit. However, in determining any borrowing they undertake, local authorities have to make reference to the "Prudential Code" which ensures that any borrowing is prudent, sustainable and affordable.

It is for Local Authorities to determine whether their funds should be used to support small and medium sized enterprises (SMEs).

The Welsh Government offers support to SMEs and information on the support available can be found by accessing the following internet address:

<http://wales.gov.uk/topics/businessandconomy/publications/110112wagsmeguide/;jsessionid=7EA128D349371D1CAF463B3FEC4DF52C?lang=en>.

*Best wishes*  
*Jeff Cuthbert*

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