

Don't they know? It's not the end of the world...

With the global recession getting constant coverage in the news, Headliners reporters investigate it's impact on young people.

If you are a young person you're almost certain to have heard about the recession. Most days whenever you turn on the television there's warnings of jobs being cut or taxes being increased. This isn't the best thing you want to hear when you come home from school or college, especially if you are being hit by it. There are several plans to combat these issues such as grants and job increases, several targeted at young people. The media talks about the recession as our new 'big bad', but are things as bad as they seem for young people?

The recession seems to hit people like bankers and business people according to the news, but in actual fact, its young people like us who are being hit the hardest, with even [The Prince's Trust](#) having warned this. Their research that over 40 per cent of British companies are not willing to hire any young people this summer; especially those who are inexperienced such as graduates or school leavers. Whether it's through pocket money, or even finding funds to continue education, things definitely need to be looked into.

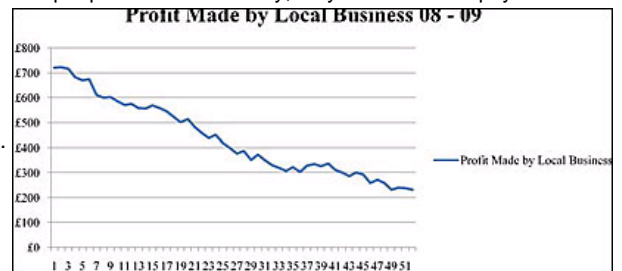


What's going on?

The whole situation is pretty big, and very complicated, so here's a brief introduction to the global recession. The definition of recession is when a country's Gross Domestic Product (how much money they make) decreases, so the UK is making less money than it was before. This is due to several things, and we'll begin with the banks. They make money by giving lend-outs which have to be paid back with interest, so when people can't afford to pay these back, the bank loses that money, and it's when this happens enough that the bank is forced to shut down, and only some of its users' money is saved. This happened with Northern Rock and the Icelandic Banks.

Inflation is when certain things are worth a certain amount, but we're experiencing deflation at the minutes, which means things are worth a lot less, so less money is made by companies. When a company lose money, they can't always afford to keep their staff paid, even their key-workers, so when they can't afford to pay wages, these people lose their jobs, which is what happened to Woolworths. When people have less money, they can't afford to pay the banks or

rent which can means homes being repossessed, so this creates a vicious circle of events.



Personal experiences

To get more understanding about how this current economic downturn is affecting the general population, we've interviewed three different individuals about the recession's impact – someone at secondary school, a young person seeking a job and someone who helps young people find careers.

First we spoke to Clio, aged 15, who wants to be a journalist. Asked about finding weekend jobs, she said: "No, because it's hard to get a job when you're this age." We also asked about the effects of the recession on her social life: "Say I wanted to go out; I wouldn't be able to get much money." Parents losing their jobs are a big fear amongst young people, Clio said she doesn't know anyone in this situation, but "it does worry [her] ... they won't be able to buy stuff like food" and "we wouldn't be able to get as much stuff as we wanted to." In regards to getting into journalism in the future she said she'd like to go to university, but "because it is expensive and the recession is making everything a bit more difficult." Clio added: "education is needed to get jobs."

So if further education is important, how will we get jobs if we can't afford to go to university? Or if you continue with further education, what will we be sure to get as a job? That's why we spoke to Shadia, 19, who is currently not in education or work. "I'm planning to go to uni and I heard that it affects the loans that you get." We asked if there were any jobs she wouldn't be able to get: "It depends on what jobs you're going for really. Like a good job, a manager or something, it would be hard. There are lots of people out there going for good jobs. I think there's more competition if you're going for like a really good job with really good money." Finally we asked what Shadia's advice would be to young people trying to find a job: "The best thing you can do is stay in education. The more qualifications you've got, the better the job and the better the money. If you're qualified to do a certain job there's no way anyone can mess you about."

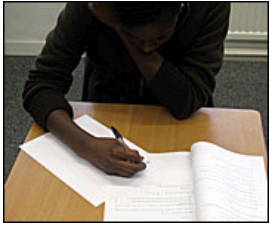
Our final interviewee was Trevor Bottomley who works at [Central London Connexions](#), which is a company dedicated to helping young people find the jobs they want and can also offer anyone between 13-19 years of age information as well as advice needed to make the decisions and choices in their lives. He said it is difficult to find a job at the minute: "The proportion of young people working out there is very small. In other parts of the country, 6% of workers are under 18, but here in London it's less than 2%." He described London as: "the hardest place in the country to find work," but he said that: "the right approach is to get some skills and qualifications" and recommended paying a visit to a store, even if you can apply for a job online.

We asked about opportunities being lost thanks to the recession, but Trevor said only vacancies had been lost, but assured us: "there have been no cuts in the education budget." He explained that if you're looking for a job in a shop, there are some things to take into consideration. Just because the prices are high doesn't mean the shop pulls in more money, in actual fact it probably makes less; who can afford really high prices in a recession? He went on to say: "People for example like Morrison's, Asda, Lidl, Aldi, (on the other hand) are increasing the number of people they're employing."

On the better side of things, Trevor added that this recession is much better for young people than the one in the 1980s/90s. We have more opportunities available now, and the government wants to boost the number of apprenticeships. We are also caught in something of a vicious circle when it comes to buying things, because we're scared to spend as much money now. If we don't buy, then the shop does not make profit, and that's how deflation starts. This isn't helped by the media hyping things up, Trevor told us.

Staying positive

On May 25th, The Prince's Trust warned us about the recession's effect on young people. The Trust and Cass Business School blames this on unemployment, and it can be seen through the amount of under-25's claiming Jobseekers Allowance doubling. This recession has given concern that youth charities won't be able to cope with these economic challenges, which is a big threat to vulnerable children who need their help.



However, not everything is as bad as it would seem, as the government have put forward £1 billion towards a [Future Jobs Fund](#) for young people, which is a massive help. The good thing about this recession is that we have already experienced several in the past, and have a better idea of what works and what doesn't, plus the education system is at the best it has ever been. Judging by the response from those we have interviewed, qualifications are important, so as long as we can keep achieving high (evident from constant rises in GCSE and AS/A2 pass rates) we should not be too worried about finding work.

Researchers say the recession could end as early as 2010, but we can't be certain. Though we have to keep in mind that this isn't the end of the world, and it isn't going to last forever even if the media makes it seem so.

About this article

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