

Some useful terms for Employment & Unemployment

National Minimum Wage:

This was introduced to help low paid workers. Employers said it may make their firms uncompetitive and they would lose business because costs would go up. This would lead to fewer jobs. In fact, this did not happen partly because the UK economy was doing well when the NMW was passed by the Govt. The current NMW is £6.08 per hour, £4.98 for 18-21 year-olds and £3.68 for 16-17 year-olds.

Jobseekers Allowance

The JSA is paid if you are unemployed but capable of work and actively looking for work. (People who are unable to work perhaps because of a disability can receive Incapacity Benefit).

JSA aims to pay money to people while they are trying hard to find work. It is time-limited to 6 months so people cannot simply keep turning jobs down.

Jobcentre Plus

This is a national network of help and advice to help unemployed people get back into work. People are given personal advisers who will provide advice on local job opportunities as well as training, how to do well in interviews and fill in application forms. Use of the internet is also available at the offices around the country.

New Deal

This is another govt initiative which tries to get people off benefit and into work. New Deal focuses on certain groups so there is New Deal for young people and New Deal for over 50s. Again, the unemployed person is given individual advice and a lot of help to develop the skills and experience that employers want. For example, employers are given money to take a young person on and train them for a few months. At the end of this, the person will hopefully have the skills and experience to keep the job or find another similar job.

The above schemes have achieved a lot, particularly when the economy was booming around 2002-2007. However, when a recession bites, as has been the case between 2008-2011, companies start to cut the number of people they employ. Fewer jobs are around and this makes it hard for employment schemes to help as many people.

NEET

This stands for *Not in Education, Employment or Training*. Unfortunately, the UK has a growing number of young people who fit that description. It is a trend that the govt and a great many parents are worried about so a number of schemes have been set up to help NEETs ... but once again the state of the economy affects their success.

Means-Tested

This is when a benefit is only given to people who need it because they are short of money and do not have savings, etc. To get a means-tested benefit such as Housing Benefit people must show they are earning below a certain level of income and that they do not have savings above a certain level. Benefits which everyone gets no matter how high their income is, are called universal benefits. The state pension is a universal benefit.