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# Topic-Causes of Unemployment

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#### **UNEMPLOYMENT:**

People who are available for and willing to work but do not have paid employment.

## **Causes of Unemployment:**

#### 1. Recession:

- □Companies moving abroad.
- □Downsizing.

#### 2. Reduced Demand For Goods And Services

- ☐ Cheaper imported products.
- ☐ Fall off in demand for Irish goods.
- □Closure of indigenous firms.

### 3. Low Wages

- ☐ Little incentive for long term unemployed to return to work.
- □Loss of benefits e.g. rent supplement, and a drop in income.

#### 4. AUTOMATION AND NEW TECHNOLOGIES

- □ Fewer workers needed to run more technologically advanced companies.
- ☐ Technical difficulty adapting to changing requirements of industry.
- ■Unskilled workers made redundant.

#### 5. SEASONAL VARIATION

□Some employment is seasonal.

□Agriculture, tourism and construction.
□Off-season workers are laid off.
□Students return to full-time education.
SOLUTIONS-
1.A Change in the pattern of investment
2. Encouragement to small enterprises as against big

4. Encouragement of New Growth Centers in Small

enterprises

3. Problem of Choice of technique

- 5. Towns and Rural Areas
- 6. Subsidies on the Basis of Employment
- 7. Reorientation of Educational Policy

# THANK YOU