## Pathways to Work Strategy 2020-2024 Submission by the Citizens Information Board

#### Introduction

The Citizens Information Board (CIB) welcomes the opportunity to make a submission to the Department of Employment Affairs and Social Protection (DEASP) in respect of the *Pathways to Work Strategy 2020-2024.* The Submission is based primarily on feedback from Citizens Information Services (CISs) and the Citizens Information Phone Service (CIPS) arising from queries from people seeking to transition from welfare to work. Citizens Information Services dealt with over a million queries in 2018, almost 45% of which were social welfare related. These included 50,000 jobseeker payment queries, 24,236 Working Family Payment queries and a further 11,400 activation scheme queries.

CISs are likely to be the first port of call for many people seeking information about services and may be a 'last resort' for others who feel that they have exhausted all other avenues. Whereas Intreo is focused primarily on matching people with available work opportunities and enabling them to develop skills accordingly, CISs help people resolve logistical issues that may equally pose a barrier to either entering the labour force or taking up employment/training opportunities, e.g., housing, transport, child care, care of dependent older persons or people with disabilities, all of which can prevent people from entering employment.

The Submission takes into account key points from the following publications on the matter:

- 1. An Initial Evaluation of the Effectiveness of Intreo Activation Reforms ESRI, March 2019<sup>1</sup>
- 2. Report on Labour Activation: Joint Oireachtas Committee on Employment Affairs and Social Protection, November 2018<sup>2</sup>
- 3. Case Study on Intreo: The one-stop-shop for Jobseekers in Ireland. DPER / UCD, July 2017<sup>3</sup>
- 4. Oireachtas Committee Report on supports available to people with disabilities transitioning from education or training into employment<sup>4</sup>
- 5. A time-series analysis of precarious work in the elementary professions in Ireland Nevin Economic Research Institute 2017<sup>5</sup>

CIB acknowledges that significant progress has been made in restructuring and reforming Ireland's public finances and that Ireland is now delivering on the goal set out in the Action Plan for Jobs<sup>6</sup> and in the objectives of *Future Jobs Ireland 2019*<sup>7</sup> with its important policy emphasis on

6. https://dbei.gov.ie/en/Publications/Publication-files/Action-Plan-for-Jobs-2018.pdf

<sup>1.</sup>https://www.welfare.ie/en/pdf/IntreoEvaluation.pdf

<sup>2.</sup>https://data.oireachtas.ie/ie/oireachtas/committee/dail/32/joint\_committee\_on\_employment\_affairs\_and\_social\_prote ction/reports/2018/2018-11-14\_report-on-labour-activation\_en.pdf

<sup>3.</sup>https://researchrepository.ucd.ie/bitstream/10197/9318/1/Case\_Study\_INTREO\_FINAL\_04.07.17.pdf

<sup>4.</sup>https://data.oireachtas.ie/ie/oireachtas/committee/dail/32/joint\_committee\_on\_employment\_affairs\_and\_social\_prote ction/reports/2018/2018-07-27\_report-on-supports-available-to-people-with-disabilities-transitioning-from-education-or-training-into-employment\_en.pdf

<sup>5.</sup>https://www.nerinstitute.net/download/pdf/a\_timeseries\_analysis\_of\_precarious\_work\_in\_the\_elementary\_profession s\_in\_ireland.pdf

<sup>7.</sup>https://dbei.gov.ie/en/Publications/Publication-files/Future-Jobs-Ireland-2019.pdf

increasing both quality jobs and sustainable jobs. The *Further Education and Training (FET) Strategy, Ireland's National Skills Strategy 2025* and *Enterprise 2025* are key drivers in creating the climate within which a pathways to work strategy can function effectively.

The Submission is set out in three sections.

*Section One* discusses some overarching considerations relevant to effective work pathways and related activation programmes.

Section Two addresses the specific questions contained in the DEASP consultation template. Section Three presents a summary of the key points that CIB believes should inform the Pathways to Work Strategy 2020-2024.

## Section One: Overarching Considerations

#### Focus of activation programmes

During a time of economic buoyancy and increased demand for labour, the focus of work activation policies typically shifts to increasing active labour force participation by all people of working age in order to both help to ensure an adequate supply of labour (the economic rationale) and to offer greater support to people from non-jobseeker cohorts to access the labour market and achieve some level of financial independence (the social inclusion rationale).

The provision of education/training options and employment programmes is thus not only to address labour market issues but is equally informed by the recognition of the role which occupational activity and further education play in improving the quality of life of people who are disadvantaged and/or who have restricted ability to take up employment.

The current Pathways to Work Strategy follows a two- pronged approach – (a) maximising beneficial outcomes for the long-term and youth unemployed cohorts, while ensuring high quality, sustainable services and (b) gradually increasing access to activation measures to other non- employed people to promote the principle of active inclusion and to improve labour supply.

Since those more distant from the labour market may require support in making a first or an intermediate step into or back to employment, different progression targets for different placements are, therefore, hugely important. For example, the Community Employment (CE) scheme, by providing temporary part-time work in local communities, serves in many instances to break the cycle of unemployment, maintain work-readiness and improve participants' opportunities of returning to the labour market. It is noted that the DEASP now categorises CE placements as either 'activation' or 'social inclusion' which is a positive recognition of the social inclusion dimension to employment activation.

While CE has been widely regarded as providing valuable work experience for long-term unemployed, the low quality of work experience and training in some schemes has meant that they tended to be often seen as ineffective in terms of yielding progression to the mainstream labour market. However, research carried out by CIB on the role and contribution of employment programmes in CIS service delivery<sup>8</sup> found that the schemes scored very highly in terms of both the service they deliver to the local community and the progression opportunities they provide to employment scheme participants.

## Quality of employment

A significant number of the jobs that are available to long-term unemployed people tend to be low skilled and this pattern is likely to continue. There continues to be a cohort of people at the bottom end of the labour market who are going into and out of low-skilled (and precarious) employment.

In addressing the pathways to work challenges relating to long-term unemployment, it is, therefore, not just a question of the numbers who end up in employment, it is also a question of the quality of the employment that people are being activated into. Implementing the concept of a job being a progression ladder presents a major challenge. The shortcomings of a system where low-skilled individuals are matched with low-skilled jobs can result in people being trapped in a low-pay cycle with little opportunity to experience the positive aspects of employment. However, It is also important to acknowledge that for some people, getting into any job at all can prove to be the beginning of a process of building (or re-building) their self-confidence and widening their options which leads to higher quality employment down the line.

## Suitability of activation programmes

Feedback from CIB delivery service indicates an approach where many people feel they are being told to 'go on a programme' rather than being facilitated to make informed decisions about their future. They are being directed on to programmes such as Tús, Gateway or CE and not, perhaps, getting the opportunity to re-educate. They may be sent on a re-education or training programme that may not be suitable for them in the longer-term and which they do not want.

Participants should be able to move more seamlessly between activation schemes.

Also, despite the fact that three separate reports recommended that there should be a new internship scheme and that the Minister announced there would be a replacement for JobBridge in 2017, there has so far been no information regarding a replacement.

More consideration needs to be given to how we use the national training fund (which has over the past number of years tended to be used for activation schemes such as Springboard and Momentum) in order to enhance meaningful upskilling for people and encouraging lifelong learning and training.

## Restricted Access to Active Labour Market Programmes (ALMPs)

Thousands of qualified adults (who are predominantly women) are interested in accessing employment supports and activation measures on a voluntary basis. CIS users not in the labour force regularly report that they want to be able to access education and training opportunities and activation measures to enable them to return to the workforce.

<sup>&</sup>lt;sup>8</sup><u>http://www.citizensinformationboard.ie/downloads/social\_policy/CE\_and\_Employment\_Programmes\_Resea</u> <u>rch\_Rpt.pdf</u>

There are many people whose partners are working, but who are excluded from the activation measures even though they may be keen to engage with JobPath or to work with Intreo offices.

There have been some moves to relax the requirement relating to eligibility for activation programmes, notably the Jobseekers Transitional Payment, but much more is required to reinforce the value of building labour force attachment even on a part-time basis as well as ensuring an adequate supply of workers to meet current and, perhaps, increasing demand. While there are a number of targets and objectives in the current Pathways to Work Strategy, these need to be given greater priority in the new strategy.

#### The role of sanctions

Combining employment activation and social protection is by no means a seamless process and making one conditional on the other presents difficulties especially when the question of sanctions comes into the narrative. The social protection payments system, including jobseekers' payments is not designed simply as a reward for job seeking but rather as a way of ensuring that every citizen has a basic and appropriate level of income.

While the number of sanctions implemented is relatively small, fear of sanctions is almost certainly an important factor in people participating in activation programmes. Therefore, publicly available data on the application of sanctions is important, including reasons for sanctions, gender and age disaggregation and analysis by region. This would facilitate follow-up of sanctioned individuals to get a better insight into the impact of conditionality and sanctions on their lives, e.g., employment prospects, risk of poverty and risk of homelessness

#### Supports for long-term unemployed people

Weak financial incentives to work are likely to be more pertinent in the case of unemployed persons with a spouse and children as the income support system results in such families having higher welfare payments. The ESRI has noted that the Back to Work Family Dividend<sup>9</sup> clearly improves the immediate financial incentives to work for this group.

As far back as 2005, the National Economic and Social Council in its report, *The Developmental Welfare State* <sup>10</sup> looked at this matter in some depth and argued that Ireland needed to develop a social model based on a high level of employment. It also stated that to do that, we needed to bring into, and hold in employment, groups that had need for multiple supports. It argued that most of those supports took the form of key quality services from child care to access to housing, transport, health and ongoing education and training opportunities.

Adequate rates of primary payments, secondary benefits and access to services are clearly an integral part of such support. Replacement rates are crucial in minimising poverty which may

<sup>&</sup>lt;sup>9</sup> The <u>Back to Work Family Dividend (BTWFD)</u> scheme aims to help families to move from social welfare into employment. It gives financial support to people with qualified children who are in or take up employment or self-employment and as a result stop claiming a jobseeker's payment or a one-parent family payment on or after 5 January 2015.

If you qualify for the scheme you will get a weekly payment for up to 2 years. You will be paid the equivalent of any <u>Increases for Qualified</u> <u>Children</u> that were being paid on your jobseeker or one-parent family payment (up to a maximum of 4 children) for the first year in employment. Half that amount will be paid weekly for the second year.

<sup>&</sup>lt;sup>10</sup> <u>http://files.nesc.ie/nesc\_reports/en/NESC\_113.pdf</u>

undermine attachment to the workforce in the longer-term. At the heart of how unemployed jobseekers are supported in the early months of an unemployment spell should be the assumption that, generally, they are employable, have methods of informal job-search and know with reasonable accuracy the types and terms of employment they are capable of and can identify and choose from among the supports that are available.

More focus, therefore, needs to be given to the quality of the engagement that Intreo has with both employers and jobseekers to ensure meaningful and respectful engagement with people who are long-term unemployed.

## Focus on households

A 2018 NESC Report, *Moving from Welfare to Work: Low Work Intensity Households and the Quality of Supportive Services*<sup>11</sup>, found that Ireland's social welfare and employment support system, including Intreo, does reasonably well in supporting people into paid work, but that there is a need to have a greater focus on the household. This means encouraging and supporting into jobs partners of people who are unemployed, lone parents, people with a disability and their carers who wish to enter employment.

The report noted that the proportion of households in Ireland where no-one is working or where there is only marginal attachment to the labour force is higher than in most other European countries. The research found that there is a diversity of low work intensity households: unemployed people, lone parents, people with an illness or disability, and ethnic minorities. They avail of a range of income support payment schemes. Most had labour market experience, but low levels of education, and almost all had the ambition to improve their lives and the lives of their children.

The NESC Report called for more co-ordination between service providers, such as Intreo, the education and training boards, and employers. It suggested that the intensity of the support available needs to increase, especially for those most distant from the labour market, such as those with literacy difficulties or poor English as well as the need to build trust through better engagement with service users.

The overall conclusions of the NESC report provide a useful basis on which to build the new Pathways to Work Strategy.

- Engagement with people who are not in paid work and are not on the Live Register
- Adequate time for case officers to engage with clients
- Supports that meet the needs of those most distant from the labour market
- More affordable childcare, particularly after-school care
- Improved career guidance
- Stronger links between training agencies and the labour market
- Measures that provide more certainty for people with children who are moving from welfare into employment
- Greater engagement with employers, and
- Actions to reduce uncertain hours of work.

<sup>&</sup>lt;sup>11</sup><u>http://files.nesc.ie/nesc\_reports/en/146\_Low\_Work\_Intensity\_Households.pdf</u>

#### Precarious employment

A key issue is how to make the social welfare system more responsive to casual and atypical working and to facilitate people to take up part-time or temporary employment opportunities as they arise and to help to ease moves from welfare to work.

The Nevin Economic Research Institute's analysis of, what it described as "precarious work in the elementary professions" found that the share of temporary contracts in the elementary professions — those which require the lowest skill level of all the occupational groups and are therefore among the least well-paid jobs is almost double the rate for the economy as a whole.

Three groups that are particularly vulnerable to precarious employment are: women, young people and migrants. For example, 38 per cent of female part-timers in elementary professions could not find a full-time job though they wanted one in 2015, over two and a half times the rate in 2004.

While less than 1 in 20 workers aged over 30 worked on fixed-term contracts, more than 1 in 5 workers under the age of 30 were on temporary contracts — a rise of almost 40% between 2004 and 2015. The report found that almost 90% of elementary workers over the age of 30 would rather have a secure job but could not find one (almost 10 percentage points more than the rate for the wider labour force) and almost 50% more than the rate in 2004. The same figure for under-30s on fixed-term contracts has also risen by over 10% in the elementary professions in the same period to 75%."

While the overall structure of the labour market, specifically the proportion of temporary contracts had hardly changed since 2004, the proportion of those temporary workers who are involuntary grew considerably between 2004 and 2015. The incidence of involuntary part-time and temporary work is higher in all categories for elementary workers. In terms of income insecurity, the deprivation rate for elementary workers rose significantly between 2004 and 2015 (from 13% to 23%) and almost 80% of elementary workers in 2015 had some difficulty in making ends meet as did a similar proportion of temporary workers. Over 1 in 5 temporary workers had been in receipt of some form of welfare assistance in the previous 12 months in 2015.

Many underemployed people and households rely on a combination of temporary part-time work and social welfare payments. The reality is that for a cohort of CIS and CIPS service users, the most favourable financial option continues to be full-time social welfare payments particularly where the work available is only part-time, casual or activation scheme based or, in the case of some people with disabilities, the only work they are able to take on because of their disability.

It is also the case that access to employment is particularly difficult for those who live in areas where there has been less employment, less economic development and where there are many issues associated with social exclusion.

## Third-level education

Low educational levels limit the nature and quality of work available and often result in low paid and poor quality employment. People with low educational levels generally are less likely to be active in the labour market.<sup>12</sup> People with disabilities are likely to have lower levels of educational attainment than the population in general.<sup>13</sup>

Since educational attainment is often identified as a significant factor in reducing welfare dependency and providing a sustainable income for low income households, particularly, for example, for lone parent households<sup>14</sup>, education should be a key labour activation strategy.

Currently, there is a relatively low level of investment in placing unemployed people into thirdlevel education compared to other activation programmes. There is a strong case to be made for activation into third-level education in that third-level graduates are more likely to enter lower and higher professions, meaning that they are not only transforming their lives but also much more likely to move completely out of poverty.

## People with disabilities

People with disabilities have access to a very wide range of employment supports and services which are more generous than jobseeker's payments. The Comprehensive Employment Strategy for People with Disabilities has identified six priority areas:

- Building skills, capacity and independence
- Providing bridges and supports into work
- Making work pay
- Promoting job retention and re-entry into work
- Providing co-ordinated and seamless support
- Engaging employers

Progress in each of these areas needs to be monitored regularly on an ongoing basis and rolling and flexible implementation plans put in place accordingly

It can be difficult for school leavers with disabilities to make life choices based on what they want rather than on available funding. There is an important factor in play here in that people with disabilities in the educational system are supported throughout their school and college careers. However, once they leave the educational system all supports they had are withdrawn as they came from the Department of Education and Skills and do not carry over to a work environment. This includes funding for a personal assistant, assistive technology and any other supports they were getting while in the educational system.

The availability of Personal Assistance services is a critical factor in some people with disabilities being able to take up employment as is the availability of appropriate and accessible transport. There may be a significant extra cost associated with work for people with disabilities<sup>15</sup>,

<sup>&</sup>lt;sup>12</sup> Eurostat 2015, <u>http://ec.europa.eu/eurostat/statistics-explained/index.php/Europe in figures -</u> <u>Eurostat yearbook.</u>

<sup>&</sup>lt;sup>13</sup> <u>https://www.welfare.ie/en/downloads/DSPReportonDisabilityAllowanceSurvey2015.pdf</u>

<sup>&</sup>lt;sup>14</sup> International evidence suggests that lone parents with low levels of education generally participate in lowwage, low-skill service industry jobs, typically on a part-time basis.

<sup>&</sup>lt;sup>15</sup> CIB welcomes the independent research commissioned by the DEASP on the extra costs of disability and recommends that a significant strand of this research should focus on the extra costs associated with work.

including transport, clothing, higher rent costs associated with accessible accommodation in areas where work is located.

The lack of awareness on the part of people with disabilities of entitlements and supports available in respect of work, training and activation schemes continues to feature in queries to CISs and CIPS. Some of this is almost certainly due to the multiple range of supports and the ever-changing nature of these supports but some of it is also due to the complex and varied sets of personal and household circumstances of people with disabilities and their families. It can be difficult for people to apply information on general provisions and supports with certainty to these specific circumstances.

#### Lone parents

The difficulties facing lone parents in relation to employment are well documented. These mainly arise in relation to child care cost and the requirement for full-time availability. In light of the current system of Intreo activation supports many options are unsuitable to their needs.

Activation policies for lone parents tend to categorise them as normal jobseekers and there are no exceptions made for the fact that they are parenting alone. There is a need for a specific lone-parent-tailored approach to activation that takes into consideration the unique challenges and barriers to employment they experience.

#### Impact of Intreo

The ESRI in its 2019 *Initial Evaluation of the Effectiveness of Intreo Activation Reforms*<sup>16</sup> noted that, while Intreo has focused on changing how services are delivered to jobseekers, there have been no substantial changes to what employment services are delivered (i.e. Active Labour Market Programmes (ALMPs).

The Evaluation Report found that the Intreo reforms had no effect on the likelihood of a claimant entering an education, training or employment placement course. It was noted that, given that the Intreo reforms focused on how Public Employment Services (PES) were to be delivered (the processes) as opposed to what was delivered (ALMPs), only very small employment effects from the reforms werefound and no education, training or employment placement course impact.

The Evaluation did find that Intreo increased a jobseeker's probability of exiting to the 'other' progression outcome category – predominantly people who transferred to another DEASP payment or were no longer entitled to JA or JB. This result, the report suggested, may have led to the early identification of invalid unemployment claims.

## Role and effectiveness of JobPath

A Working Paper, *Evaluation of JobPath outcomes for Q1 2016 participants*<sup>17</sup> concluded that it was clear that JobPath has been effective in supporting long-term unemployed people secure work and in improving employment earnings for those who do secure work. The effects of JobPath were summarised as:

<sup>&</sup>lt;sup>16</sup> <u>https://www.welfare.ie/en/pdf/IntreoEvaluation.pdf</u>

<sup>&</sup>lt;sup>17</sup> <u>https://www.welfare.ie/en/pdf/JobPath\_econometric\_impact\_evaluation\_DEASP\_working\_paper.pdf</u>

- 1) Increasing employment outcomes and annual earnings from employment for those who participated in JobPath
- 2) Increasing the earnings per week of employment
- 3) Decreasing reliance on social welfare income supports in the period after participation on the programme.

These findings were seen as indicating that it is possible to achieve positive results for unemployed people with a payments-by-results contractual model; and secondly, that the State should continue to prioritise providing case-managed employment advisory services to long-term unemployed people.

However, there is another perspective on JobPath. The effectiveness of the JobPath Programme has been receiving some negative comment in the Oireachtas with some stringent criticism of the scheme and questions raised as to whether or not it was value for money.<sup>18</sup> Serious shortcomings of the JobPath Scheme were also highlighted in a report to the Oireachtas Joint Committee on Employment Affairs and Social Protection.<sup>19</sup> Also, some feedback from CIB delivery services suggests that some people who use Seetec and Turas Nua's JobPath measures experience the process to be in the main employer and results focused as distinct from acknowledging and addressing their particular employment support needs in a person-centred manner.

## Section Two: Addressing the Specific Consultation Questions

## Q.1 Experience of Intreo Services

CIB delivery services deal with people who experience significant difficulties relating to transitioning from welfare to work including people with a combination of low-income and part-time and/or casual work and social welfare. Feedback from CISs and CIPS, based on the experience of dealing with these queries, provides an insight into some of the systemic difficulties experienced by people in respect of integrating income supports with employment activation programmes, bridging the gap between welfare and work (particularly casual and part-time work) and/or dealing with the challenges of changed family circumstances.

## Q.2 Experience of linkages between Intreo and other labour market actors

The Pathways to Work Strategy and related activation measures, including, in particular, the JobPlus scheme, the Springboard initiative, the implementation of the Momentum programme and the roll-out of schemes such as Gateway and Tús together with an enhanced CE programme create the necessary context for Intreo to carry out its role. However, it is the experience of CIB delivery services that, despite various supports put in place to eliminate welfare traps and the fact that increasingly people are taking up work and training options, there continue to be specific situations where households are either less well off (or only very marginally better off) working, than they would be on a social welfare payment. This clearly limits the potential of Intreo to build relevant linkages with other key actors.

<sup>&</sup>lt;sup>18</sup> Marie O' Halloran, Irish Times, 4<sup>th</sup> April 2019

<sup>&</sup>lt;sup>19</sup> Submission by Waterford IT researchers

## Q.3 Increasing/decreasing employment during the period 2020-2024

CIB does not have a well formed perspective on this other than to make the obvious point that, depending on the financial climate, there are likely to be opportunities for jobs expansion in the construction sector, the IT sector and the health and social services sector. Obviously, Brexit and other world trade factors will have a significant bearing on the range, extent and nature of available employment opportunities in Ireland.

## Q.4 Categories of occupation where increases/decreases in employment are expected

CIB is not in a position to make a well informed comment on this. Depending on public finances and Government policy, there is significant potential for employment expansion in the health and social care sectors – social care workers, nurses, doctors and personal assistants to people with disabilities.

# Q.5 Rating the main employment challenges during the period 2020-2024 (1-highly significant/ 5- not significant)

Workforce shortages (high vacancy rates)	(5)
Job shortages (high unemployment)	(5)
Increasing labour market participation	(2)
Addressing long-term unemployment	(1)
Improving employment rates of people with disabilities	(1)
Improving employment rates of women	(2)
Improving employment rates of minority groups	(3)
Attracting foreign workers	(4)
Improving employee earnings	(2)
Reducing employment costs	(3)
Addressing precarious employment	(1)
Embracing flexible employment models	(1)
Other (please specify)	

## Q.6 Five most significant challenges

- 1) Addressing precarious employment
- 2) Improving employment rates for people with disabilities
- 3) Improving employee earnings increasing National Minimum Wage and moving towards achieving the Living Wage standard
- 4) Improving labour market participation for women
- 5) Embracing flexible employment models, e.g., home working

## Q.7 How Intreo should change to meet challenges

Intreo was established to bring together the various services provided to jobseekers. This has many clear advantages and Intreo is widely regarded as having been an ambitious initiative which sought to bring together three strands with differing previous roles and related cultures. However, the hitherto pivotal role of the CWO changed, e.g., CWOs were moved from outreach locations to Intreo offices which meant people having to make longer journeys to access social welfare supports. Anecdotal evidence suggests that the opportunity for the three strands to learn from each other's experience and feed into a new culture may not have developed as might have been expected since the more flexible, client- focused traditional approach of CWO's appears to have less of a focus in the Intreo structure.

Casework plays a vitally important role in Intreo support measures. The case workers' support is e fundamental in smoothing transitions, particularly where people face a number of blockages, including, for example, blockages faced by lone parents with childcare responsibilities, people with disabilities and Travellers. The package of supports available needs to be carefully tailored to individual needs and circumstances in order to achieve a positive outcome both in terms of individual aspirations, choice and equality of outcomes. A casework approach must take fully into account the fact that many people do not welcome being referred to work that they do not want to do due to its nature and the fact that it does not enable them to, for example, carry out their child care role as parent or has little or no progression opportunities.

## Q.8 Existing schemes/services

Clearly all of the schemes listed under Question 8 have validity for different people with different activation support needs. Because of the variety of activation support needs among unemployed people CIB does not feel that it is possible to simply state which schemes/services should be further developed and which, if any, should be reduced in scope/scale. Ideally and on the basis that each scheme/service was put in place in response to an identified need, they should be retained and their effectiveness monitored on an ongoing basis and adjusted (or removed) accordingly.

## Q.9 New schemes/services that should be developed

There would be much merit in developing each of the schemes/services listed on the basis that the suggested list caters for many of the endemic problems relating to unemployment.

Additional measures to enhance apprenticeship and vocational and skills based training are required.

## Q.10 Evaluating the performance of Intreo

Of the six suggestions listed for evaluating performance, five relate to outcomes, earnings, progression, cost per outcome, duration with only one referring to client satisfaction. Establishing customer satisfaction would be an important evaluation criterion given that people who are satisfied with their work environment are more likely to remain there. Much more emphasis, therefore, needs to be placed on participants' satisfaction and reasons why people are satisfied/dissatisfied.

## Q 11 Main issues limiting the ability of groups distant from the labour market<sup>20</sup> from participating in the labour market (1-most significant/ 9- least significant)

Absence of social/family networks/contacts to help secure employment	(5)
Literacy/language skills	(4)
elf-confidence	(6)

<sup>&</sup>lt;sup>20</sup> (a) lone parents, (b) persons with disabilities (PWD), (c) ethnic minorities, (d) older workers, (e) women and (f) new arrivals to Ireland

Access to childcare	(2)
Employer perceptions or discrimination	(7)
Knowledge of available supports	(3)
Level of work relevant education/skills	(2)
Lack of in-work supports	(4)
Perceived – or actual – loss of welfare benefits	(1)

## Q.12 What Intreo can do

- All of the activities listed under this question should be pursued.
- Significant emphasis should be placed on *early engagement* with jobseekers and monitoring in work and post job experiences.
- Disseminating information is difficult because of the plethora of supports/schemes available and this is a matter which requires more attention.
- More simplification and integrated processing of the various schemes, training educational initiatives would be helpful to jobseekers.
- Closer working relationship between Intreo, ETB's, LEO's should be developed.

## Q.13 Challenges employers will face in the years ahead

The challenges employers are likely to face will almost certainly be impacted on by Brexit. Demands for an increased National Minimum Wage rate and the need to move closer to the concept of a Living Wage will present huge challenges for employers as will a stronger regulatory environment relating to zero hours contracts.

Q 14 How Intreo can reduce vacancy rates and improve the supply of 'job-fit' candidates

- All of the activities listed are relevant.
- There should be much greater emphasis on enhancing the apprenticeship and internship models.

## Q 15 What Intreo can do to encourage and support employers to provide opportunities to disadvantaged jobseekers

- In addition to the activities listed, all of which are relevant, Intreo should work in a more focused way with employers;
- Training and courses available should be geared towards providing required qualifications and skills for jobs that are <u>actually</u> available;
- Training courses should include stronger personal development components and interpersonal skills, i.e., the soft skills for success in the workplace;
- More work is required to 'educate' employers in providing workplaces where people feel valued.
- There needs to be more careful vetting of employers for schemes where wage subsidies are paid and better ongoing monitoring/evaluation.

Q 16 How Intreo can work best with other services (Education, Training, Local Enterprise Office (LEO), etc.) to address emerging labour market requirements

Concerns are regularly raised about the ongoing 'silo' structure of Government departments and the effectiveness of interdepartmental collaboration, e.g., people with disabilities moving from education to the labour market:

Data sharing arrangements, joint commissioning of regular labour market assessment are all necessary and useful. However, what is also required on the ground is effective networking between staff of these services and enhanced knowledge and understanding of the services offered by each.

## Q 17 Strategies that other agencies should pursue to help improve labour market participation and employment

While agreed referral models are clearly desirable, a better knowledge of what each service offers would enhance cross-referral processes, e.g., how ETB may be able to offer career guidance / life coaching to jobseekers to discern their job path and put together a personal plan focused on their career interests.

Agencies other than Intreo need to have an input into the drawing up of personal progression plans so that the person makes an informed decision regarding the direction in which they wish to go. Care needs to be taken that the necessary focus on activation does not override the equally or even more important role of people being enabled to feel that they have a contribution to make.

## Q 18 Changes that should be made to welfare arrangements to support increased labour market participation/employment

In addition to the changes listed in Consultation Question 18, all of which are valid, the following measures should be introduced:

- TÚS schemes should be seen as a preparation for CE. Rather than having to wait 12 months for a TÚS scheme, the scheme should be available to anyone 6 months unemployed with the option of transferring to a CE Scheme after 6 more months. This would mean that CE participants coming from TÚS would be more job-ready.
- The additional amount payable to CE participants (currently €22.50) to CE participants for a participant previously in receipt of the maximum rate of Jobseekers Allowance should be increased in order to incentivise CE.
- Rules of CE Schemes need to be amended to ensure that participants can stay 2 to 3 years with the one sponsor if they choose and they are benefitting from suitable training in the job.
- There is a lack of awareness of the fact that previous participants who completed CE prior to Jan 2007 can now re-qualify for CE Schemes. This needs to be advertised and promoted.

- Consideration should be given to allocating one day per week to people on CE to enable them to study for a relevant, (e.g, third-level) qualification --the minimum amount of time which people could remain on CE would need to be increased to three years to facilitate this.
- Apprenticeships (which are currently in demand) should be linked into a government supported scheme in partnership with private industry. Currently rates of payment are agreed between the apprentice and the employer. The payment of a supplement to incentivise the uptake of apprenticeships should be considered.

## Section Three

## Key points that should inform the Pathways to Work Strategy 2020-2024

The significant fall in the rate of long-term unemployment in recent years and the fall in youth unemployment is clearly a very welcome development. In the context of a new Pathways to Work Strategy, an obvious question is how much of the reduction in unemployment can be attributed to the general economic recovery and how much to well- designed activation policies.

The Pathways to Work programme and, specifically, the role of Intreo therein, with the emphasis on a more active use of income support measures to promote participation in paid employment has many positive aspects. However, a significant underlying concern is the nature and quality of much of the work available to people with low skills and/or low levels of education.

The fact that much of the work available is often only viable through compensation in the form of in-work and employer subsidies raises questions about the quality of employment people can aspire to and whether in fact paid employment offers a sustainable route to financial independence.

We need to judge success not by movement from welfare into work, but movement into lasting, sustainable and decent employment. The issue of low pay thus needs to be addressed as a significant Irish labour market phenomenon and policy initiatives that counter a precarious employment culture with low hours and/or temporary contracts need to be put in place. Most people want jobs but they want decent and secure jobs.

As Ireland approaches 'full employment', activation strategy may need to change to cater for fundamental skills deficits. As we reach full employment status, there is a real danger that we leave behind an increasingly disadvantaged group of citizens. Thus, it becomes more important than ever that literacy, numeracy and digital deficits be accurately diagnosed and effectively addressed.

The six strands of the current Pathways to Work Strategy continue to be relevant:

- 1) Enhanced engagement with unemployed people
- 2) Increasing the employment focus of programmes

- 3) Making work pay or incentivising work
- 4) Continuing to incentivise employers to offer opportunities to unemployed people
- 5) Building organisation capacity both within the Department and other agencies,
- Building work force skills focusing on the further education and training sector, improving the alignment and delivery of those services with labour market requirements

The one-stop-shop approach clearly has much to offer. However, the Intreo focus on process how Public employment services (PES) are delivered as opposed to what was delivered (ALMPs) - while, clearly important and necessary, may be too limited. It is the view of CIB that, overall, there is a need for a more integrated approach to activation measures generally so as to find the optimum fit for individuals between social welfare entitlement, training and employment schemes. For example, evidence from our delivery services continues to indicate that the current criteria of measuring days rather than hours in paid employment for social welfare purposes, offers a significant rationale to individuals to remain welfare dependent - or worse to operate outside of the regulatory and tax system and participate in undisclosed employment without taxes or regulations, while claiming assistance from the state.

Short-term work incentives and longer-term employment skills must both inform an integrated job activation strategy. Activation measures also need to take a more holistic approach by looking at how one payment or scheme impacts financially on another payment or benefit. In this regard, the ongoing impact of secondary benefits on replacement rates of income also need to be taken into account, together with some focus on incentivising people at different stages of the life cycle, e.g., people who have been out of the work force, young adults with disabilities and older people.

With regard to labour market shortages and labour market supply, this is an area where we need more women to come back into the workforce. It is now timely to look at the issue in a more proactive way.

There is a need for a cultural shift in terms of empowering and motivating people to access the opportunities available and making it both economically, and psychologically worthwhile for the individual. In this regard, a question arises as to whether the public money allocated to JobPath might be more usefully spent on developing and enhancing the various jobseeker support services (e.g., Solas, Local Employment Service, ETB's and other Training providers).

In conclusion, the broader employment affairs role of the DEASP relating to employment rights policy and legislation and low pay matters (including the National Minimum Wage) provides the necessary context for addressing many of the issues that impact negatively on pathways to work, especially the challenges presented by the preponderance of precarious employment and temporary contracts. The Joint Committee on Employment Affairs and Social Protection in its 2018 Report on Labour Activation<sup>21</sup> made detailed and very relevant recommendations on the matter which will inform the new Strategy.

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https://data.oireachtas.ie/ie/oireachtas/committee/dail/32/joint\_committee\_on\_employment\_affairs\_and\_s ocial\_protection/reports/2018/2018-11-14\_report-on-labour-activation\_en.pdf