

# Mid-term Review of Pathways to Work 2021 - 2025 A Submission by the Citizens Information Board 31st March 2023

# Contents

Introduction	3
Section One: Overarching Considerations	3
Pathways to Work and current levels of employment.	3
Quality of employment available in practice in different parts of the country	5
Combining employment activation and social protection	5
People with disabilities.	6
Lone parents	7
Section Two: Issues identified by CISs.	7
Specific issues identified by CISs	8
Eligibility criteria for various activation supports.	8
Issues for self-employed people.	9
Administrative practices that give rise to difficulties for jobseekers.	9
Social and economic barriers.	9
Other issues identified by CISs.	10
Summary of key issues identified by CISs.	11
Section Three: Need for a new Pathways to Work framework	11
Section Four: Answers to consultation questions.	14
Section Five: Concluding Observations	16

#### Introduction

The Citizens Information Board (CIB) welcomes the opportunity to make a submission to the Department of Social Protection in respect of the Mid-term Review of Pathways to Work 2021 – 2025. This 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. CISs dealt with almost 790,000 queries in 2022, almost half of which were social welfare related. These included over 30,000 jobseeker payment queries, 13,264 Working Family Payment queries and a further 5,896 activation scheme queries.

CISs are frequently contacted by people seeking information about eligibility criteria for the range of activation supports available and about what option would be most appropriate for them, including how best to combine social welfare payments and participation in work/training programmes. The latter is a concern for some people who wish to engage in an activation programme but are concerned about a potential reduction in household income. In addition to providing information, CISs help people to resolve other issues that may pose a barrier to them either entering the labour force or taking up employment/training opportunities, relating to for example, housing, transport, childcare or other caring responsibilities. CISs regularly contact Intreo on clients' behalf to seek clarification on specific matters.

CIB acknowledges that significant progress has been made in delivering on the goals set out in *Pathways to Work* and related Action Plans, including the Further Education and Training (FET) Strategy, Ireland's National Skills Strategy 2025, and Enterprise 2025. However, notwithstanding this important progress, many of the issues identified in a 2019 CIB submission on the strategy<sup>1</sup> remain and some of these will be referenced in Section 2 of this Submission.

This Submission is set out in five sections:

- 1. Section One discusses some overarching considerations relevant to effective work pathways and related activation programmes.
- 2. Section Two outlines a range of issues identified by CISs arising from the processing of queries and dealing with clients.
- 3. Section Three argues the case for a new model based on the concept of a user-centric approach which begins with the lived realities of people distant from the labour force.
- 4. Section Four addresses the specific questions contained in the consultation template.
- 5. Section Five presents a summary of the key points that CIB believes should inform the Midterm Review of Pathways to Work 2021-2025.

# Section One: Overarching Considerations

## Pathways to Work and current levels of employment.

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 to both help to ensure an adequate supply of labour (the economic rationale) and to offer greater

<sup>&</sup>lt;sup>1</sup>Citizens Information Board Submission on the Pathways to Work Strategy https://www.citizensinformationboard.ie/downloads/social\_policy/pathways\_to\_work.pdf

support to people from non-jobseeker cohorts to access the labour market and achieve some level of financial independence (the social inclusion rationale). Notwithstanding the current situation in Ireland where full employment has been reached, the four high-level ambitions identified in the strategy remain valid, namely.

- Reduce long-term unemployment.
- Reduce the youth unemployment rate.
- Improve labour market transitions.
- Ensure better labour market outcomes for all.

However, there should also be a much stronger focus on engaging those who have only tenuous or weak relationships with the labour force, including people from socio-economic deprived backgrounds, people with mental health difficulties, ethnic minorities, and people with disabilities. Such an approach would be in keeping with the stated strategic actions across the five key strategic strands.

- Supporting unemployed people in finding and sustaining employment.
- Facilitating employers in hiring jobseekers and those more distant from the labour market.
- Ensuring that work pays and modernising the delivery of social welfare services.
- Addressing the needs of groups that face disadvantages in the labour market.
- Using evidence to inform the policies being implemented and a robust monitoring framework.

On the latter strand, the experience of CISs is very relevant and will be discussed in the next section of this submission. Also, the fact, as noted in the first Annual Report on the strategy, that many employers are currently experiencing some difficulty in filling vacancies, suggests a clear need to refocus the strategy in several ways.

- Identifying areas where there are skills shortages and focusing on the provision of relevant education, training, and upskilling.
- Specifically targeting people with minimal or no connection with the labour force and developing mechanisms for individually tailored supports.
- The proactive provision of targeted supports for ongoing education to enable people trapped in low paid and unsuitable employment, (e.g., some lone parents), to progress to better paid and appropriate work.
- Developing more integrated structures at local and regional level to address the social and economic factors that cause alienation from the labour force.
- Addressing the fact that many people on social welfare payments have multi-faceted problems associated with inadequate housing or homelessness, mental health difficulties, addiction problems, disability, or membership of ethnic minorities.

Since those that are 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. CE placements are now classified as either 'activation' or 'social inclusion' and while

this is an important dimension, it is not at all clear that the link between social inclusion and employment activation is being adequately addressed in the way the current strategy is being implemented. This point will be illustrated in the next section of this submission.

#### Quality of employment available in practice in different parts of the country.

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 not just a question of the numbers who end up in employment. It is equally important to focus attention on 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 may lead to higher quality employment in the longer-term.

Addressing this requires a stronger strategic focus on creating better quality and better paid jobs and an accentuated move to legislative provision for the payment of the Living Wage which is a policy commitment by Government.

#### Combining employment activation and social protection.

Combining employment activation and social protection is by no means a seamless process. The social protection system, including jobseekers' payments, is designed as a way of ensuring that every citizen has a basic and appropriate level of income and should never be regarded as simply a 'reward' for job seeking and participation in work activation programmes. This is particularly relevant in cases where there may be weak financial incentives to work, e.g., for households where an unemployed person has a spouse and children, as the income support system results in such families having higher welfare payments. In this context, it is noted that ESRI research<sup>2</sup> has found that the Back to Work Family Dividend clearly improves the immediate financial incentives to work for this group. How to get a fair balance between ensuring that people can have adequate income and engaging them in meaningful activation programmes remains a considerable challenge.

The National Economic and Social Council report, *The Developmental Welfare State* argued for the need to bring into, and hold in employment, groups that had need for multiple supports in the form of key quality services, from childcare to access to housing, transport, health and ongoing education and training opportunities. This continues to be the context within which the pathways to work programme should operate if it is to be effective for the cohort of people who experience significant challenges in taking up employment of training/education opportunities.

<sup>&</sup>lt;sup>2</sup> ESRI, Making Work Pay More: Recent Initiatives, https://www.esri.ie/system/files/publications/BP201602.pdf

The conclusions of a 2018 NESC Report, Moving from Welfare to Work: Low Work Intensity Households and the Quality of Supportive Services<sup>3</sup> continue to be centrally relevant to an integrated pathways to work approach.

- More co-ordination between service providers, such as Intreo, the Education and Training Boards, and employers.
- More intensive support for those most distant from the labour market, such as those with literacy difficulties or poor English.
- Building trust through better engagement with service users.
- 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.
- 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 or training/education.
- Greater engagement with employers, and
- Actions to reduce uncertain hours of work.

#### 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 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 available and the 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 continues to be difficult for people to apply information on general provisions and supports with certainty to these specific circumstances.

The Comprehensive Employment Strategy for People with Disabilities is an important initiative and the implementation of its six priority areas needs to be kept under review.

- 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.

While there have been several important developments relevant to the strategy,<sup>4</sup> the actual impact of the strategy on individuals with a disability it is not at all clear. Less than half (44%) of people with

<sup>&</sup>lt;sup>3</sup> http://files.nesc.ie/nesc reports/en/146 Low Work Intensity Households.pdf

<sup>&</sup>lt;sup>4</sup> Minister for State at the Department of Children, Equality, Disability, Integration and Youth, *Written Answers* 24<sup>th</sup> March 2022, https://www.oireachtas.ie/en/debates/question/2022-03-24/21/

a disability of working age were employed in 2019.<sup>5</sup> The European Commission Country Report for Ireland 2022<sup>6</sup> noted that Ireland has the lowest disability employment rate in the EU. There is a need for targeted research to examine in detail the impact of the strategy to date in the context of Midterm Review of Pathways to Work.

#### Lone parents

The difficulties facing lone parents in relation to employment are well documented. These mainly arise in relation to childcare cost and the requirement for full-time availability. Activation policies for lone parents tend to categorise them as normal jobseekers and there is insufficient attention given to the support needs of people 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. This requires a much stronger focus on individually tailored supports that take cognisance of the specific caring support requirements that many lone parents have and the nature of work and activation programmes that would cater for those needs.

The issues faced by lone parents are part of a more systemic problem relating to women that has been referenced and elaborated on in both international literature and in Irish research. Reference has been made to the 'aggressive casualisation' and related precariousness of employment<sup>7</sup> in work areas where women predominate. This has a significant impact on the types of jobs available to women who have childcare responsibilities and/or who are seeking to return to the workplace or to take up employment for the first time. It has been suggested that the "wrong part-time jobs can cause a triple trap locking women into precarity, poverty and domesticity".<sup>8</sup>

## Section Two: Issues identified by CISs and CIPs.

Feedback from CISs continues to indicate 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 or CE and not, perhaps, being offered a meaningful opportunity to re-train or to enhance their educational qualifications. They may be asked to participate in a training programme that is not suitable for them in the longer-term and which they do not want. People can feel that they are left with no choice but to take up the programme because of a fear (real or perceived) of being sanctioned for non-compliance with social welfare conditions and losing their social welfare payment. Also, some feedback from CISs report that some people who use JobPath experience the process to be in the main, employer and results focused as distinct from acknowledging and addressing their employment support needs in a person-centred manner.

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

<sup>&</sup>lt;sup>5</sup>https://www.cso.ie/en/csolatestnews/pressreleases/2021pressreleases/pressstatementincomeemploymenta ndwelfareanalysisofpeoplewithadisability2019/

<sup>&</sup>lt;sup>6</sup> European Commission Country Report for Ireland 2022, <a href="https://commission.europa.eu/system/files/2022-06/2022-european-semester-country-report-ireland-en.pdf">https://commission.europa.eu/system/files/2022-06/2022-european-semester-country-report-ireland-en.pdf</a>

<sup>&</sup>lt;sup>7</sup>http://www.nwci.ie/index.php/learn/article/implementation of minimum wage increase essential for women workers#sthash.tGRTIKLy.dpuf

<sup>&</sup>lt;sup>8</sup> Murphy, M. (2014), Ireland's lone parents, social welfare and recession, <a href="http://www.communitylawandmediation.ie/">http://www.communitylawandmediation.ie/</a> fileupload/The%20Journal/CLM-eJournal-Issue-2-Volume-3%20(December%202014).pdf

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 can 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 intergenerational unemployment, mental health difficulties, addiction problems and poor literacy skills, all of which contribute to alienation from the work force.

Despite many important changes in eligibility criteria for various activation programmes, CIS users not in the labour force regularly report that they want to be able to access education and training opportunities and activation measures but who cannot do so because of a combination of eligibility criteria and negative impact on household income.

#### Specific issues identified by CISs.

Eligibility criteria for various activation supports.

- Eligibility issues for Back to Education Allowance (BTEA) and Back to Work Enterprise Allowance (BTWEA) for example:
  - People not eligible to BTEA due to age limit.
  - People not eligible due to a requirement to be on a social welfare payment immediately prior to starting course of study.
  - Requirement to have been on Illness Benefit for 2 years or more, even though Illness
     Benefit is only payable for 2 years.
  - A Qualified Adult on a spouse's Farm Assist not being a qualifying payment for BTWEA.
- Part-time Education Option requirement that you must meet the conditions for a jobseekers' payment, i.e., a person must be available for full-time work.
- Time spent as a qualified adult dependant on another person's claim does not count towards CE eligibility. The recent announcement that eligibility is to be expanded to include adult dependents on jobseeker payments is to be welcomed<sup>9</sup>.
- Access to activation supports for older people for example, a person over 55 years of age
  can stay on a CE scheme for up to 3 years; if aged 55 years or less they can re-qualify for CE
  by spending one year on a qualifying payment. This rule does not apply to people aged over
  55.<sup>10</sup>
- Lack of eligibility for Part-time Job Incentive Scheme for some people (a person needs to be long-term unemployed or on JA payment).

https://www.oireachtas.ie/en/debates/question/2022-05-25/130/

<sup>&</sup>lt;sup>9</sup> Minister Humphreys and Minister O'Brien announce new measures to support Community Employment Schemes nationwide, 22/03/2023. <a href="https://www.gov.ie/en/press-release/ec31c-minister-humphreys-and-minister-obrien-announce-new-measures-to-support-community-employment-schemes-nationwide/">https://www.gov.ie/en/press-release/ec31c-minister-humphreys-and-minister-obrien-announce-new-measures-to-support-community-employment-schemes-nationwide/</a>

<sup>&</sup>lt;sup>10</sup> CE participants who are aged over 55 and commenced on CE prior to the introduction of the changes in 2017 continue to be eligible to stay on CE for six consecutive years. CE participants over the age of 60 can participate on a continuous basis up to the State Pension age.

Community Employment Schemes Dáil Éireann Debate, Wednesday - 25 May 2022.

#### Issues for self-employed people.

- Income from self-employment is treated less favourably than PAYE income where a partner's income from self-employment is fully assessed for Jobseekers Allowance.
- For a self-employed person on OFP who wishes to switch to Jobseekers Transitional Payment, there is no income disregard.
- Where a self-employed worker whose business has slowed down cannot receive Jobseekers Benefit without ceasing self-employment altogether.

#### Administrative practices that give rise to difficulties for jobseekers.

- People not being able to access the local Intreo office by phone and being diverted to a central
  unit where there is a long wait time and where the person dealing with the query has no
  knowledge of the individual's situation (despite this being available in the local Intreo office).
- Delays in processing applications for Back to Education Allowance schemes.
- Delays in processing of HAP applications which affects people who need to re-locate to take up employment or an educational/training option.

#### Social and economic barriers.

- People being without any income for a period in the context of transitioning from one payment to another e.g., moving from OFP to JST, switching from jobseekers' payment to WFP (a jobseeker's claim must be closed before WFP can be accessed).
- The cost of renting in Dublin acts as a barrier to educational progression for some.
- The cost of travel to work is prohibitive for those who require a car to access work or training/education.
- People who take up a place on a CE scheme may be worse off financially because of income tax and costs associated with job, e.g., childcare costs and transport costs.

#### Case Examples:

Impact on family of lack of affordable and available childcare.

The client is a parent of a 9-month-old child. They need to and would like to work full-time but cannot because they cannot find affordable childcare. They will not be entitled to Jobseeker's Allowance because, without access to childcare, they cannot present as being available for full time work and are only entitled to Working Family Payment of €20. Not being able to work full-time (and generate a second household income), even if a job opportunity became available, results in a considerable financial difficulty for the family.

A CIS client reported grappling with having to decide to give up full-time employment as there was no childcare available in their area. They have been looking for childcare in the area for almost a year but without success. They have been told that there is a two-year waiting period for all childcare services in the area.

Impact on household income of participation in a Tús scheme.

A CIS client moved from a family rate of Jobseekers Allowance of €482 for family with three children. The move was to a Tús scheme. The gross wages on the Tús for his family were €504 – however, when PAYE of approximately €35 was deducted the family was left with €469 which is less than the JA rate.

Not only that but there was also a further deduction involved of PRSI which increased the gap further and resulted in a rate well below the SWA rate for the family.

Non-eligibility for Working Family Payment when a person is in receipt of Jobseekers Transitional Payment.

Client who is a lone parent with a 14-year-old child is not eligible for Jobseekers Transitional Payment (JST), which allows a recipient to work any number of hours/days and provides a €165 income disregard in assessment of means. JST only available where youngest child is aged 7 to 13 years inclusive.

Client is in receipt of OFP and works part-time and receives WFP. Youngest child will be 7 later this year and they will lose the WFP when they change to JST, placing them in a difficult financial position as they rely on that income to supplement their rent.

People who must reduce work hours for health reasons are not eligible for a partial JA payment, because they cannot meet the condition of being available for full-time work and genuinely seeking work.

People working part-time and eligibility for Jobseekers Allowance.

A CIS client who is in receipt of Jobseekers Allowance (JA) and has been offered a job for 2 hours per day, 6 days per week. They cannot claim part- time JA because of the working days' limit (3 days a week work combined with JA for the days not worked). Neither do they meet the 15-month claim criteria for the Part-time Job Incentive Scheme. They have 3 children and a dependent spouse and, therefore, feel that they cannot accept the work offer because they will not be able to afford to live.

The 3-day rule combined with the loss of secondary benefits, in particular Fuel Allowance is problematic. A client on JA in receipt of Fuel Allowance was offered 15 hours work a week at €13.60 per hour, which is €204, but it is over 5 days so cannot avail of the Casual JA disregard. They would also lose Fuel Allowance and do not have enough hours work to be eligible for the Working Family Payment.

The 3-day claim limit clearly acts as a barrier and disincentive to some people looking for work.

JA should be based on the actual earnings a person has rather than the number of days they work.<sup>11</sup>

#### Other issues identified by CISs.

Older person on the Part-time Job Incentive Scheme not eligible for Fuel Allowance.

- Supplementary Welfare Allowance (SWA) not a qualifying payment for some training programmes.
- People with literacy difficulties not receiving adequate support to allow them to access activation supports.
- Need for more education/training opportunities for people who have been full-time carers who are no longer required to undertake a caring role.
- Requirement to pay income tax when a person works part-time and is in receipt of Jobseeker's Benefit acting as a disincentive.

<sup>&</sup>lt;sup>11</sup> This point has been made repeatedly by CIB in various submissions over many years.

#### Jobseekers Benefit and Income Tax

Client is receiving Jobseekers Benefit and is a part-time worker. They have discovered that they will now pay an additional €169 per month income tax on their part-time wage. That equates to €42.25 per week extra in tax as their weekly tax credit has been reduced to €26.39. Prior to receiving Jobseekers Benefit, their weekly tax credit was €65.39. This is a huge increase in weekly taxation of the employee's part time wage.

Supports for 'hard to reach groups' by activation teams.

The client lost their job 5 months ago and has been receiving Jobseekers Benefit (JB). They were called in for meetings with the activation services where the case worker told them to register with JobsIreland.ie and start to make online job applications. At the next meeting they were asked for evidence of online applications which they did not have because they had difficulty with reading/writing and had no computer literacy. The client told the CIS that they felt that they were not being taken seriously and that there was little understanding of the challenges they faced. The following week their payment was stopped on the grounds of not making reasonable efforts to look for work. The client told the CIS that they had previously been helped to find a job by the LES but that the office was now closed and that they had not been advised of where they could go to get support with compiling a CV and submitting online job applications.

### Summary of key issues identified by CISs.

- ✓ Eligibility criteria for specific activation programmes not sufficiently inclusive to cater for the range of household and personal situations that exist.
- ✓ People only minimally better off or worse off financially because of engaging in an activation programme.
- ✓ People feeling that they are being pressurised into taking up training options or work that they do not want and believe will have little impact on their ability to find meaningful work or career progression.
- ✓ An inadequate social support infrastructure to enable people to engage in activation programmes, e.g., childcare, transport.
- ✓ Insufficient focus on third-level education programmes as a pathway to better paid and more meaningful employment.
- ✓ Inadequate support for people with underdeveloped literacy or digital literacy skills.
- ✓ Difficulties associated with the centralisation of telephone access to the Intreo service.

#### Section Three: Need for a new Pathways to Work framework.

Notwithstanding the relative success of Public Employment Services (PES) services to date, there is a strong argument now for alternative, more individualised, and needs-based approaches. The experience of CISs is that those who have difficulty in engaging with the job activation programmes are those with multi-faceted challenges relating to income, low-level qualifications, and an inability to

engage meaningfully and positively with what is being offered. There is also a range of disincentives arising from the complexity of eligibility criteria as these apply to atypical households. Digital literacy and centralised services are also issues.

Clearly, there is an issue where some employers are finding it difficult to fill job vacancies while simultaneously there is a cohort of people of working age who remain either unemployed or underemployed. CIB believes that responding to this challenge will require a shift in policy as well as a shift in ideology favouring the needs of people of working age and their families over the needs of the economy and business – what has been termed an Employment Eco System.<sup>12</sup>

This, it is suggested, is an approach that should be explored in the next phase of Pathways to Work. There is a strong argument that achieving the right balance between creating employment, maximising labour force participation, and identifying and addressing the multi-faceted support needs of those marginalised and distant from the labour force requires a fundamentally different approach.

The alternative approach focuses on empowering the individual to develop capabilities while also providing the context to allow people the freedom to act in the way that suits them best. This change in approach would require:

- (a) An emphasis on promoting participation in and co-design of appropriate interventions and support services.
- (b) People having the freedom to refuse (without sanction) participation in activation programmes that they feel do not address their specific training and education needs.
- (c) Promoting the right to work, rather than the opportunity or obligation to work.
- (d) An emphasis on identifying individual human capabilities.

Such an approach would be very much in keeping with policy design principles set out in a 2022 Department of Public Expenditure and Reform (DPER) publication, *Designing our Public Services*. <sup>13</sup> This is focused on a new way of working by public services to deliver human-centric solutions to complex social issues.

The document sets out ten principles, including a number that CIB believes are centrally relevant to reframing a Pathways to Work strategy:

- Designing services to meet the needs of people first, rather than the internal needs of the organisation.
- Speaking directly with service users to hear and understand their lived experiences and challenges.
- Beginning with what the user is trying to achieve when accessing services, not what is already on offer.
- Co-creating services with users to identify and understand what would be valuable for them.
- Designing services to give users choice and allow them to feel in control.
- Aligning processes in organisations and across the public services to create seamless services.

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<sup>&</sup>lt;sup>12</sup>THE 'HIGH ROAD' BACK TO WORK,

https://www.maynoothuniversity.ie/sites/default/files/assets/document/HighRoadReportPDF.pdf

<sup>&</sup>lt;sup>13</sup> Designing our Public Services, <a href="https://www.ops.gov.ie/app/uploads/2022/10/Design-iPrinciples-for-government-in-Ireland-web.pdf">https://www.ops.gov.ie/app/uploads/2022/10/Design-iPrinciples-for-government-in-Ireland-web.pdf</a>

- Working to understand people with diverse needs and designing with, not for them.
- Taking an "amplified needs first" approach because services designed this way work better for everyone.
- Working in multi-disciplinary project teams designers, subject matter experts, analysts, ICT developers, policymakers.
- Building system maps which illuminate the invisible forces shaping systems behaviour.
- Asking, at every level, "What does this mean for the service user?".
- Taking responsibility for creating coalitions across agencies and departments to tackle complex issues.
- Visually mapping the service to identify weaknesses and opportunities.
- Empowering service delivery teams to suggest and to make changes in response to new insights and user needs.
- Putting meaningful, human centric performance indicators in place to understand and quantify how well the solution meets the needs of the public.
- Ensuring that services are easier to understand and engage with, so that users get the best outcomes.
- Designing to remove redundant activities and behaviours.
- Questioning assumptions and orthodoxies.

The DPER document suggests that design methods based on the above principles can bring a vital new energy to public services by helping them to listen to citizens about their lived experiences. This approach, if applied to the Pathways to Work programme would result in a much stronger focus on organic development at local levels with the following components:

- A life-work approach for those more distant from the labour market.
- Apply the concept of an 'enabling state' to all interventions related directly or indirectly to job activation.
- Focus on working inclusively with individuals and communities to identify what are meaningful
  pathways to work for them, considering current realities relating to socio-economic
  deprivation and disadvantage.
- A stronger emphasis on investments in long-term, integrated approaches not hampered by short-time social welfare criteria eligibility.
- Targeting employment support services at those most likely to experience detachment from the labour force.
- Co-design of interventions with both active jobseekers and those of working age not currently actively seeking work.
- Identify and address factors that contribute to people remaining remote from the work force socio-economic, cultural, psychological and feelings of exclusion.
- Rethinking the concept of conditionality, for example, facilitating more people to continue to receive social welfare payments while developing human-centric responses to their employment situation.
- Meaningful dialogue at local level between social partners, civil society, and relevant statutory
  agencies (ETBs, Solas, LES, etc.) regarding the challenges faced by people who cannot access
  work or training appropriate to their needs and circumstances.

#### Section Four: Answers to consultation questions.

# Question 1: What progress do you feel has been made in achieving the aims and commitments set out in Pathways to Work 2021-2025?

CIB acknowledges that significant progress has been made in delivering on the goal set out in the Action Plan for Jobs and the important policy emphasis on 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 the Pathways to Work strategy has functioned effectively. However, many issues remain for both those in atypical working age households and those distant from the labour force.

# Question 2: What are the key challenges facing the Irish labour market that Pathways to Work 2021 – 2025 will need to address over the remaining lifetime of the strategy?

CIB identifies the following as areas where more targeted responses are required:

- Developing a stronger human-centric approach to work activation (as discussed in Section 3 above).
- Improving employment rates for people with disabilities.
- Improving employee earnings increasing National Minimum Wage and expediting the move to achieving the Living Wage standard.
- Improving labour market participation for women, especially lone parents.
- Expanding flexible employment models home working and blending working across all employments where this is feasible (and not just the public service).
- Developing meaningful progression pathways (in relation to both income and quality of work) for those trapped in low-paid part-time work.
- Identifying and addressing anomalies in social welfare payment criteria and achieving a more appropriate fit between these and criteria for work activation programmes.

There needs to be greater acknowledgement of the fact that most Ukrainians who have come to Ireland want to work, and this group should be proactively targeted by ensuring that there are easily accessible English language classes available. <sup>14</sup> Clearly other blockages to taking up employment that apply to the population in general, e.g. access to childcare and transport, will also be a factor.

The same point applies to people seeking international protection, many of whom almost certainly want to work immediately on their arrival in Ireland.

Question 3: Are there any changes that you would suggest to the current ambitions and commitments in Pathways to Work 2021 – 2025, in light of the changed economic circumstances? This can include suggestions to change the high-level ambitions, strands of action or specific commitments.

CIB strongly believes that Phase two of Pathways to Work 2021 – 2025 should begin to develop an implementation model which re-focuses the approach from a national policy platform to one that

<sup>&</sup>lt;sup>14</sup> The recent announcement that eligibility for CE Schemes will be reduced from 12 months on the live register to 9 months for Ukrainian nationals living here is welcomed. <a href="https://www.gov.ie/en/press-release/ec31c-minister-humphreys-and-minister-obrien-announce-new-measures-to-support-community-employment-schemes-nationwide/">https://www.gov.ie/en/press-release/ec31c-minister-humphreys-and-minister-obrien-announce-new-measures-to-support-community-employment-schemes-nationwide/</a>

begins with the local and works to identify and address blockages to job activation associated with socio-economic deprivation and remoteness from the labour force. Such an approach would establish a platform on which to design a future human-centric pathways to work strategy based on principles identified by DPER and summarised above.

Question 4: Do you have any suggested actions to help improve the employment prospects and outcomes of people under-represented in the labour market? This can include, for example, actions in relation to the Public Employment Services, training and employment supports, the social welfare system, and/or engagement with employers.

The package of supports available needs to be carefully tailored to individual needs and circumstances to achieve a positive outcome both in terms of individual aspirations and choice. Evidence from CISs and other research<sup>15</sup> suggests strongly that the approach to date has not fully taken into account the fact that many people do not welcome being referred to unsuitable work due to either its nature (poorly paid) or the fact that it has little progression opportunities.

Many CIS clients are understandably confused by the range of support schemes available and the different eligibility criteria that apply. It is reasonable to suggest that there are many people who do not contact CISs or other information providers and who may be unaware of the various options available. Some people may be reluctant to engage with Intreo because of ingrained feelings of disaffection and social exclusion.

Disseminating information is difficult because of the range of supports and schemes available and this is a matter which requires more attention. More simplification and integrated processing of the various activation initiatives, together with a more individualised engagement and interaction is likely to result in better outcomes in bridging the gap between work and socially embedded unemployment.

Establishing customer satisfaction is 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.

The training and educational courses that are available should be geared towards providing the required qualifications and skills for jobs that are available as distinct from a more generic approach.

Training courses should include stronger personal development components and interpersonal skills, i.e., the personal skills necessary for success in the workplace.

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, education should be prioritised as a key labour activation strategy. Currently, there is a relatively low level of investment in placing unemployed people into third level education compared to other activation programmes. There is a need for stronger activation measures into third-level education in that third-level graduates are more likely to enter lower and higher professions,

<sup>&</sup>lt;sup>15</sup> See, for example, Kenny Doyle (2022), *Assessing Ireland's Pathways to Work,* <a href="https://repository.wit.ie/3537/1/Kenny%20Doyle%20Assessing%20Ireland%27s%20Pathways%20to%20Work.pdf">https://repository.wit.ie/3537/1/Kenny%20Doyle%20Assessing%20Ireland%27s%20Pathways%20to%20Work.pdf</a>

meaning that they are not only transforming their lives but also much more likely to make a longlasting move out of poverty.

More work is required to 'educate' employers in providing workplaces where people feel valued.

The Working Family Payment does not include couples without children, or single people. The Strawman proposal for a Working Age Payment,<sup>16</sup> which would amalgamate JA and WFP, and would provide a greater link with employment earnings, remove casual days, disregards, and minimum hours should be progressed. This would deal with the difficulty associated with the '3-day rule' issue referenced in Section 2 of this submission.

#### Section Five: Concluding Observations

It is critically important that the Pathways to Work programme continues to be grounded in supporting <u>all</u> working age people to secure employment that is both suitable and sustainable. This means adopting a 'people-first' approach that fully considers the social and economic realities of people's lives, those who currently primarily rely on social welfare payments to meet daily living costs.

Ensuring that all people of working age can find good and meaningful employment requires a joined-up approach to the services and supports from both an employment and social welfare perspective. Those furthest from the labour market must be at the core of the programme if it is to 'work for all'.

Since the JobPath scheme is regarded as not having delivered value for money for the taxpayer and, in most cases, the advice provided did not lead to sustainable employment for jobseekers, <sup>17</sup> it is important that the reconfiguration of schemes fully takes into account the reasons why JobPath was less successful than anticipated. An important consideration here is the need to adopt a stronger user-centric approach as discussed in Section 3 of this submission.

Engagement with employers is important in ensuring that the Pathways to Work Strategy aligns skills, experience and needs of those who are seeking work, particularly people who have been long-term unemployed, with available work opportunities.

The success or otherwise of Pathways to Work in the current economic climate of almost full employment in Ireland will need to be assessed on its effectiveness in the delivery of real and meaningful individually tailored support (including education and training opportunities and mentoring) to those with no or only very weak attachment to the labour force.

This also means locating activation programmes in the broader context of a comprehensive social support infrastructure. NESC has pointed out that Ireland has lagged somewhat behind other EU countries in engaging people in activation programmes and in supporting parents to combine childcare and employment.<sup>18</sup> It is evident that activation measures for some people will only be effective to the extent that quality and appropriately paid employment opportunities are available

<sup>&</sup>lt;sup>16</sup> A Strawman Public Consultation Process for a Pay-Related Jobseeker's Benefit Scheme in Ireland, https://assets.gov.ie/241269/3dc06eac-4e1a-4984-ada1-89f7d841d549.pdf

<sup>&</sup>lt;sup>17</sup> https://www.oireachtas.ie/en/press-centre/press-releases/20211202-committee-of-public-accounts-pac-finds-jobpath-scheme-did-not-deliver-value-for-money/

<sup>&</sup>lt;sup>18</sup> NESC (2020) *The Future of the Irish Social Welfare System: Participation and Protection*. Report No. 151. http://files.nesc.ie/nesc reports/en/151 Future Social Welfare.pdf.

and, for some, responsibilities.	_	supports are pr	rovided to enable	e them to carry o	ut their childcare