

Croke Park, Dublin
Thursday, 25th October 2012



**‘Working for a Better Future –
Tackling the Unemployment Crisis’**

CONFERENCE REPORT

Foreword

John Stewart INOU Co-ordinator



I am pleased to present this report arising from the INOU's conference - WORKING FOR A BETTER FUTURE – TACKLING THE UNEMPLOYMENT CRISIS held at the Croke Park Conference Centre on Thursday, 25th October 2012. The Conference was a key event in our 2012 calendar which marked the 25th anniversary of the founding of the organisation.

The INOU was founded in 1987 - a time of mass unemployment and emigration. The organisation was founded by people who did not accept that nothing could be done to address unemployment at the time and this thread runs deep in the organisation to this day.

The impact that unemployment is having on individuals, families and communities demands that effective measures are taken to address the current crisis. The Working for a Better Future Conference provided a unique opportunity for a wide range of individuals and groups including practitioners, senior civil servants, politicians, unemployed people, academics, trade unionists and employers to actively participate and discuss ideas and a policy vision for effectively working our way out of the current crisis. The recommendations arising from the Conference will make a very significant contribution towards informing the work of the organisation in the period ahead.

I would like to take this opportunity to thank all the Conference speakers and everyone who attended the event. I would also like to thank the staff and National Executive Committee of the INOU for their work in organising and running the Conference.

John Stewart
Co-ordinator



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Executive Summary

Working for a Better Future – Tackling the Unemployment Crisis



In his opening remarks the Minister of Education and Skills, Ruairi Quinn T.D. said *"I want Ireland to be recognised as a fair, inclusive and equal society, supported by a productive and prosperous economy."* Critical to building such a future for unemployed people will be the creation and maintenance of decent jobs. As another conference speaker, Mike Allen noted *"We need to recognise the huge significance of paid work as central to a person's life."*

Core to the INOU's work over the past 25 years has been representing and defending *"the rights and interests of those who want decent employment and cannot obtain it"* and campaigning *"for an acceptable standard of living for unemployed people and their dependents"*. The debate and discussion at this conference highlighted the importance of maintaining this twin focus to the organisation's work as unemployed people and others of working age struggle with the stark reality of joblessness.

During the conference's discussions it was noted that a reciprocal culture of respect between the Individual and the State is important; that services should be available on the basis of need; and that the take-up of courses and programmes should be voluntary. Participants noted that quality training has to be at the heart of every labour market initiative, in particular to address literacy and numeracy needs. Measures to reduce inequality also have a central role to play in creating the right conditions to stimulate sustainable and inclusive growth.

The development of quality services depends on good standards being at their very centre including 'quality', 'responsiveness' and 'connectedness'. Such standards will be critical to the re-design of activation services including the roll-out of Intreo and the local Education and Training Boards.

To address the extent of the unemployment challenge facing Ireland collective action is

required that acknowledges the role and contribution of each player: the state, the service provider, the community organisation, the employer, the unemployed person. Conference participants noted the importance of considering the long-term consequences of short term measures, measures which are unlikely to address the structural issues underpinning long-term unemployment and exclusion from the labour market.

The following recommended actions arose from the conference debates and discussions in both the workshops and the plenary sessions.

Employment and Job Creation

1. Prioritising getting people back to work requires every sector of the economy, including the state, business (both for profit and social), and local and community initiatives working together and in parallel to develop a broad range of options.
2. Supportive enterprise policies that will ensure sustainable growth, enhanced job creation and proper investments in, for example: broadband, water, energy and retro-fitting buildings; social care including early childhood care and education; and green tourism.
3. A new apprenticeship model should be used for opportunities in a range of areas in the green economy including retrofitting, wind turbines and technology.
4. The State's role as an employer of last resort must be developed: it is essential at a time when employment opportunities are at a premium.
5. In developing Ireland's capacity in the areas of ICT and Greenskills, ensure that unemployed people are given the necessary supports to participate in these developments and secure paid employment.

6. Ensure that supports for small and medium sized enterprises also provide proper supports for unemployed people seeking to set-up their own businesses.
 7. Encourage and support the development of alternative enterprise models including co-operatives and social enterprises.
 8. In-work supports are important in supporting unemployed people to move from welfare-to-work and support others to stay in employment. Access to existing supports and in particular Family Income Supplement should be streamlined and made more work friendly.
 9. The creation of decent employment will be critical if Ireland is to emerge from this overall crisis '*a productive and prosperous economy*'. To that end supports to employers to encourage them to employ unemployed people must be supportive of the creation of better paid, full-time employment.
 10. Improve the efficiency of job-matching. This would build up the confidence of employers that they will be able to access the employees they need through the public employment service; and it would build up the confidence of unemployed people that the service will meet their employment needs.
4. Progression should focus on the most meaningful option for the person concerned. So, for example, if a person on or seeking to access the Back to Education Allowance needs to do a FETAC level course that is the same or at a lower level than their existing qualifications they should be allowed to undertake it.
 5. Prioritise tackling lower skills and educational attainment. At present 80% of unemployed people don't have qualifications to work in professional and socio-professional jobs.
 6. Develop a properly structured career path to offer as an alternative to third level education – the apprenticeship system that is in Germany where people work and learn on the job, provides a potential model.
 7. Integral to delivering a quality adult education experience for learners should include:
 - a A comprehensive recruitment process that strives to match the individual to the appropriate course.
 - b Good programme supports including: a built-in induction period; high quality tutors; flexibility to take into account the life circumstances of the adult participants.
 - c Post progression supports to support the learner to find paid employment or a suitable further course of study.

Education and Training

1. The provision of good quality Further Education and Training should be central to the Government's recovery strategy. Integral to this should be the provision of a single course database or universal course calendar covering the range of courses on offer in our further education and training system.
2. Prioritise training with strong links to the labour market as this tends to enhance employment prospects. However, for some participants this may not be an accessible option so training should be provided based on the person's needs.
3. Choice is vital and unemployed adult learners must be facilitated to exercise it in a meaningful way. It is counterproductive to put people on

Developing Quality Services

1. Working collectively will be integral to the development and maintenance of quality services. Such work should be adequately resourced and entail networking at local, regional and national levels; exchange learning and good practice; and pursuing and developing good ideas and innovative projects.
2. An accessible and public employment service for all people of working age must be created: currently Intreo is only focusing on those on the

Live Register. This service must provide excellent self-serve options for jobseekers, including sophisticated software to allow them to quickly identify suitable work, education and training opportunities.

3. As unemployment spells lengthen, increase the level of engagement, identify barriers an individual faces, provide an adequate response to each and agree personal progression plans.
4. Provide a fuller service to those who are at a significant risk of becoming long-term unemployed as soon as possible.
5. Good guidance is essential and a quality adult guidance service must be properly resourced.
6. Ensure that the service and service personnel are enthused, flexible and provide continuity and consistency. It will be important to develop

expertise and address service deficits: on-going quality training and professional development are necessary.

7. Ensure that when job announcements are made that Intreo and the Local Education and Training Boards work with the employers to run appropriate training courses that give unemployed people the best chance of getting these jobs.
8. Utilise the Local Employment Services (LES) and the LES ethos to develop a more intensive approach to delivering a quality service.
9. Resource Community organisations to continue to provide essential services, quality training and work experience opportunities.



Conference Agenda

Working for a Better Future – Tackling the Unemployment Crisis



First half:

Vision and Policy

- 9.00 Registration
- 9.40 **Welcome and Opening Remarks – Tackling effects of Unemployment:**
Ann Fergus, INOU Chairperson
- 9.45 **Opening Address:** Ruairí Quinn TD,
Minister of Education and Skills
- 10.00 **'Working for a Better Future'**
Senator Feargal Quinn
- 10.20 **'Key principles to underpin change'** –
Sinead Pentony, Researcher
- 10.40 **Workshops**
Alternative economic solutions – Input – Paul Sweeney, Irish Congress of Trade Unions (ICTU);
Facilitator- Seán Healy, Social Justice Ireland
- Effective Labour Market Policies** – Input Seamus McGuinness, Economic and Social Research Institute (ESRI);
Facilitator – James Doorley, National Youth Council of Ireland (NYCI)
- Welfare Rates and Low Pay** – Input Orla O'Connor, National Women's Council of Ireland;
Facilitator – Paul Ginnell, European Anti-Poverty Network (EAPN)
- Jobs for the future – and matching skills** – Input John McGrath, FÁS;
Facilitator - Tony Donohoe, Irish Business and Employers Confederation (IBEC)
- 11.40 Break
- 12.00 **Short Report from Workshops** –
Carmel Duggan, WRC
- 12.10 Panel and Plenary Session on
Getting Back to Work –
Chaired by David Begg, ICTU
- 1pm Lunch

Second half:

Models of Good practice

- 2.00 **The Best of what works and doesn't in other countries** - John Sweeney, National Economic and Social Council (NESC)
- 2.15 **Learning from a British perspective** – Colin Hampton, Derbyshire Unemployed Workers Centre
- 2.30 **Workshops**
New Ideas – Inputs Kevin Empey, Worklink and Lucy Masterson, Hireland;
Facilitator – Michael Glennon, Sligo Leader Partnership
- Innovative programmes** – Inputs Mary Smith, Employment Development and Information Centre (EDIC) and Michael Ewing, Irish Environmental Network;
Facilitator – Elaine Harvey, Galway Local Employment Service
- Collective Ways of Working** – Inputs, Anne Malone, Monaghan High Support Process and Rachel Lillis / Pat Kavanagh, Ballyrunners / Equal Youth Inter Agency Network;
Facilitator – Brian Carty, Irish Local Development Network
- Getting Adult education and Training right** – Inputs Carmel Duggan, Mount Street Trust Employment Initiative and Berni Brady, Aontas;
Facilitator – Sylvia Ryan, Congress Centres Network
- 3.30 Break
- 3.45 **Short Report from Workshops** – Paul Ginnell, European Anti-Poverty Network
- 4pm **Panel and Plenary Session on New Employment, Entitlements, Education and Training Structures – Principles underpinning quality services**, chaired by Anne Vaughan, Department of Social Protection
- 4.40 **Learning from the Past** –
Mike Allen, ex INOU
- 4.50 **Closing Remarks** – Bríd O'Brien, INOU
- 5.00 Conference Close

Tackling the effects of unemployment

Ann Fergus INOU Chairperson



Ann welcomed the Conference participants along to the Conference. Ann said that the Conference marked the 25th anniversary of the founding of the INOU. Ann noted that the two key objectives for the INOU are as important today as they were when the organisation was founded. These are 'decent jobs for all' and 'maintaining a proper living standard while dependent on a Jobseekers payment'. The INOU represents unemployed people and a key message for politicians and the Government is that unemployed people cannot take another cut to their payments. Social welfare payments must be protected.

Ann said that the other aspect that is particularly important is to develop and provide a quality social welfare service. Ann said that whilst the Department of Social Protection was in a state of significant transition it was nonetheless vital that the Department would not forget the unemployed person when the new service is designed and rolled out. In addition, Ann said that if she were to be unemployed she would like to see the new services ensure that whatever shape activation takes, it would keep her dignity in place.

Ann read out the following message from the INOU Co-ordinator, John Stewart who was unable to attend the Conference due to illness.

'I am sorry that I cannot be with you today. I would like to echo our Chairperson's welcome to this key national event and to again thank the Minister for delivering the opening address. I would particularly like to thank the INOU staff and National Executive Committee for so successfully organising the Conference and also to thank everyone who so willingly agreed to undertake particular roles – the guest speakers, the facilitators and not least the note takers.

As you may know, this year marks the 25th anniversary of the founding of the INOU. I am particularly delighted that our good friend Mike Allen – whose involvement over the first ten and more years has been so critical to the overall development of the organisation, will be speaking this afternoon about learning from the past.

The conclusions and policy recommendations arising from today's event will be critical in the on-going fight against unemployment. I wish you all a successful Conference.'



Opening address

Ruairí Quinn TD Minister of Education and Skills



Thank you for your invitation to open today's conference marking the 25th anniversary of the founding of the Irish National Organisation of the Unemployed. Everyone here knows that the scale of the unemployment crisis which has hit Ireland in recent years is without precedent. Many people have lost jobs in the construction, manufacturing and other domestic sectors of the economy where employment levels are unlikely to return to pre-recession levels.

Unemployment can have a devastating effect, not just on a person's earning capacity, but on their emotional state and their ability and desire to participate in society. And in particular, the troubling phenomenon of youth unemployment has returned to our country. Against this bleak backdrop, we must look towards a better future. "Working for A Better Future" is the theme of your conference today and it is most appropriate given that the ambitions of this Government are, I believe, inspired by such ambition.

I want Ireland to be recognised as a fair, inclusive and equal society, supported by a productive and prosperous economy. Against the difficult economic circumstances in which we operate, that is not an easy challenge, but it is one which I hope we can realise over time. This Government has to prove to the Irish people that we have credible answers for dealing with the crisis now, and that we have a vision for the future. That we can create more jobs, grow our economy, improve living standards for our people, and build a brighter future for our children. We have to show that our politics is about improving the lives of our people.

Since March 2011, we have brought in a series of measures, including an off-balance sheet stimulus package and new training and work programmes to help the unemployed. I am, and will continue to be, a strong advocate for continuing investment in education, within this Government. And mine is not a lone voice. It is shared by many of you here today. But, while we will protect education to the greatest extent possible, there



will still need to be major savings achieved in the coming years. We are determined to reform and improve the education system, despite the need for such savings.

A number of steps have already been taken over the last 18 months to reform our education system. I would like to touch upon some of these today and explain the direction in which we are heading. As Ireland strives to restore its economic well-being, it's crucial that we ensure the social investment we are making in education is relevant to people's needs and helps assist our economic recovery. The State has a fundamental role in this challenge. There is now a particular need to respond with measures that provide clear and purposeful pathways to employment or to further and higher education and training.

Earlier this year, the Government published *Pathways to Work*¹ – a blueprint to increase the employability of job seekers and encourage them to be more active in their efforts to find work. As part of this commitment, the Government has decided to radically reform and restructure the Further Education and Training system so that it

¹ <http://www.welfare.ie/en/downloads/pathwaystowork>

can enjoy restored public confidence. It must provide courses that are particularly relevant to the needs of school-leavers and the unemployed, and that will help people develop as we recover from the economic and social crisis of recent years.

In 2012, my Department is committed to providing over 450,000 places in further and higher education and training. My Department is funding a range of targeted education and training measures to assist unemployed people return to the workforce. This includes a new Labour Market Education and Training Fund ² which I hope to announce in the coming weeks.

I am particularly pleased by the success of the Springboard Programme since its launch last year. A further 6,000 places are in the process of being filled under the second phase of Springboard in 2012.

Springboard offers a choice of 220 free, part-time courses in higher education from certificate courses to post-graduate degrees. All courses lead to qualifications in sectors of the economy which are growing and need skilled personnel, including information and communications technology (ICT); the medical devices sector; green energy; and the food and beverage sector. All courses are part-time, enabling participants to keep social protection supports.

A key addition for Springboard 2012 was the introduction of a freephone guidance line to help prospective students with course choices and applications. The Helpline was hosted by the INOU, and I would like to thank you for the key role you played in facilitating provision of this service.

SOLAS

A key reform underway in my Department is the establishment of a new Further Education and Training Authority. We all know the FÁS brand has been badly damaged in recent years. I do not wish to denigrate the work and commitment of the majority of FÁS staff, who have continued to work in the public interest in recent years.

But it is time for a fresh start for all of us.

For too long, the state has treated Further Education and Training as the black sheep of the education system. Successive Ministers for Education have fixated on the primary and

second-level school system, or on the higher education sector. Given the scale of our crisis, we have a responsibility to build a vibrant skills and training sector that is well integrated into the overall education system. I know many of you here today want to know what difference will the Government's reform agenda have for the unemployed? I would like to expand on this.

At present, a very wide range of programmes are on offer, serving a variety of purposes for diverse groups of learners. However, many people are unaware of the opportunities available in the Further Education and Training sector. It is very difficult for an individual to find out what courses are available to them, where they are on and whether a new qualification is what employers are actually looking for. This is a huge issue for the many unemployed people in Ireland today seeking support from our further education system.

One reason why there is a lack of public awareness is that programmes are currently provided by so many different organisations – FÁS, Vocational Education Committees (VECs), community groups, second-level schools and private bodies. These programmes have grown organically over the past few decades – too often in an uncoordinated fashion.

Remarkably, there is no single course database or a universal course calendar covering the range of courses on offer in our further education system. We simply cannot expect people to get the most out of our education system if they cannot get a good overview of what services are available. This has to change.

There is an urgent need to bring coherence to the fragmented system, and to have an integrated sector delivering high quality programmes. There is also a need to ensure we deliver programmes that are relevant to the needs of both learners and the economy. We want people to have access to courses and services which actually help them leave unemployment rather than just occupy their time.

That is why we decided to establish SOLAS. SOLAS will be to the further education and training sector what the Higher Education Authority (HEA) is to higher education. Let me be very clear about what SOLAS will and will not do. SOLAS will not

² This initiative is called Momentum and further information can be found on www.momentumskills.ie

simply be a re-branded FÁS. SOLAS will put the existing FÁS training centres under the remit of the 16 new Education and Training Boards which are replacing the 33 Vocational Education Committees. SOLAS will not be delivering courses on the ground – that will be done by the 16 new Education and Training Boards and other providers.

Instead, SOLAS will lead the process of making the Further Education and Training sector a distinct one. For the first time ever, we will be able to measure both the inputs and outputs of the €900 million investment we make each year in Further Education and Training. I want to make sure that the unemployed, particularly the long term jobless, will be the priority group for support.

However, I want to bring about a revitalised Further Education and Training sector that is 'fit-for-purpose' for all learners who wish to avail of programmes – the unemployed and the employed, school leavers as well as early school leavers, those with disabilities and those who want to pursue particular interests through part-time learning.

I believe SOLAS will bring a much needed focus to this part of our education system for the first time. At the same time, we do not want to throw out the baby with the bathwater. Instead we want SOLAS to work with Education and Training Boards and other service providers, to harness what is good about our further education and training system and make it even better for those who use it. We must ensure that we listen to our learners and our staff and use their valuable input appropriately in making decisions.

We are putting the finishing touches to the Action Plan for SOLAS and we will be publishing it very shortly ³ It will outline clearly a timetable for publishing the SOLAS Bill, and set out plans for FÁS Training Centres to be transferred to the Education and Training Boards.



Conclusion

For too many Irish people, there is no time to waste as we work towards a better future. By providing relevant education and training options, we can upskill and reskill our people, to enable them access the labour market when the recovery comes. We must reform our institutional framework to ensure we deliver these opportunities as efficiently as possible. These are major changes but they are absolutely necessary and long overdue.

We are committed to ensuring its success and I ask for your support as we implement these changes. If we succeed, we can make an invaluable and essential contribution to bringing about the reformed society and economy that we so badly need. I am happy to acknowledge the work of the INOU and I would like to extend an invitation to the organisation to meet with me sometime in the New Year. I wish you well with the rest of today's conference.

³ www.education.ie/en/publications/policy-reports/an-action-plan-for-solas.pdf.

Working for a better future Senator Feargal Quinn



The four concepts that I would like to talk about are the four C's. The first of these is **Commitment**. From work around the country including the Drogheda Local Heroes, I can see that it must be devastating for people to wait for a long period without hearing from different services. There must be some way in which we commit ourselves to create jobs. I believe we have to encourage 'a DIY' attitude. Rather than wait for someone else to create a job for me, can I initiate the effort myself? In the late 1980's when we were also at a time of huge levels of unemployment, I joined a Partnership committee. I found the Committee was focussed on calling on the State to do something. Different agencies were to be approached for help. On the other hand, I explained that our local supermarket could do with a locally-based window cleaner, a locally-based provider of fresh lettuce, a locally-based producer of convenience foods, jams, etc. A numbers of individuals created successful one person businesses that survived providing these services. When I brought up some gaps about providing food locally, the committee were focussed more on calling on the Government for assistance. I am glad to say that a local man set up a business providing fresh lettuce to supermarkets and that business still survives today.

It is important to look for opportunities.

The second C is **Co-operation**. In Drogheda, prior to the Local Heroes initiative each street was different and there was no co-operation between the different streets in the town. When the streets co-operated with each other it made for a more vibrant town. It was similar with some of the shops in the television series Feargal Quinn's Retail Therapy, where when a number of shops joined forces it made a big difference. There was very good news for Drogheda with the announcement that Yapstone will be creating 120 jobs. This arose from the businesses getting together and selling Drogheda as a place for investment and job creation. Their trip to Silicon Valley is paying off.



The third C is **Confidence**. Confidence for the future is very important. I was chairperson of the Leaving Certificate applied programme in the 1990s. The Leaving Cert Applied measures a range of other intelligences rather than only measuring academic achievement. The importance of students gaining confidence from achieving through successes in measuring a wide range of different intelligences could not be overstated. Confidence makes a huge difference.

The fourth C is the **Customer**. The customer is all important. I learned about the importance of the customer from a young age. I grew up in the Red Island holiday camp where my father talked about the importance of giving customers the very best experience so that they will want to return. Every business or organisation needs to ensure that their focus will be on giving people the best service.

To end on an anecdote, I asked Ito San, the owner of an enormous Japanese Supermarket chain what was the one thing that made him different from others. He said that 'whether you believe you can or you can't, you are right'.

Key principles to underpin change

Sinead Pentony Research Associate, UCD & NUIM



I'd like to thank the INOU for the invitation to speak at this conference today. The unemployment crisis does not receive enough attention by politicians, policy makers and the media, so today's event is really important in terms of highlighting the issues associated with unemployment and the range of responses that are needed.

When I think of unemployment, there are a few things that I think of:

- i) is the fact that over 300,000 jobs have been lost since mid-2007
- ii) is the fact that almost 310,000 people are currently unemployed.

There are more people unemployed than there are living in Galway City and County, the population of which is 250,000, according to Census 2011.

The figures on unemployment don't take account of the thousands of people who are leaving the country every year in search of work, so the scale of the unemployment crisis would probably be much worse, were it not for emigration.

Thirdly, I also think about the human cost of unemployment in terms of lost capabilities, the impact on self-esteem, confidence and the additional stress and pressure that unemployment puts on families and communities.

Finally, I think about the complexity of the unemployment crisis – it is affecting men and women differently along with other factors such as age, family circumstances, education, income and level of indebtedness.

I am going to take a step back from the immediacy of the unemployment crisis and map out some of the changes that I think need to take place both nationally and globally, to address some of the structural issues associated with high levels of unemployment and I will also outline some principles that should inform our responses to the crisis.



First of all, we need to think about what kind of society we would like to live in 'after the crisis' and how the economy of Ireland needs to be transformed so that it can provide the population with the opportunity to receive a good education, to work, earn a living, and contribute to our families, community and society.

There has been a debate taking place since the crisis began back in 2008 on the extent to which the higher levels of income inequality may have contributed to the economic crisis and the extent to which levels of inequality will affect recovery.

For the last thirty years, the economic orthodoxy has been that inequality is a necessary condition for economic success. Many of you may remember Michael McDowell in 2004 famously arguing that "*inequality is an inevitable part of any society*" and that it "*offers people incentives to succeed*".

We can have greater equality or faster growth but not both. That orthodoxy emerged out of the global crisis of the 1970s when, it was claimed, the move towards more equal societies in the immediate post-war decades had gone too far and had led to a bloated public sector, an over-generous welfare state and economic stagnation. What was needed to put economies back on an upward and sustainable path was a stiff dose of inequality. However, history - and the facts - tells a different story, which shows a clear association between inequality and economic instability.

The great crashes of 1929 and 2008 and the deep-seated recessions that followed were both preceded by sharp rises in inequality. In contrast, the most prolonged period of economic success and stability in recent history – from 1950 to the early 1970s – was one in which inequality fell across the rich world and especially in the UK and the US.

However, since the late 1970s the income gap – that is the gap between high and low earners - in the US, UK and other highly developed economies has grown to levels last seen in the inter-war years of the 1920's. The income gap has continued to surge but without the promised pay-off of wider economic progress. The rising tide certainly did not lift all boats.

The main outcome for the countries (and Ireland is one) that have embraced the post-1980 model of free market economics most fully have been economies that are both much more polarised *and* much more fragile, which makes them more susceptible to the highs and lows associated with economic booms and busts.

Unemployment is one of the major economic and social impacts of any economic crisis, so it is imperative that we understand the factors that contribute to economic crises and develop the policy responses that minimise the worst effects of the business cycle but also manage our economy in a way that minimises the highs and lows in the first place.

The political consensus has been that inequality was not an economic issue in the lead up to the 2008 crisis. Yet gradually, opinion is beginning to change.

At the 2011 World Economic Forum in Davos, Min Zhu, former Deputy Governor of the People's Bank of China and a special adviser at the International Monetary Fund, told his audience: "The increase in inequality is the most serious challenge facing the world."

The OECD in its recent report on *Economic Policy Reforms: Going for Growth 2012* states that there is a growing consensus that assessments of economic performance should not focus solely on overall income growth (GDP), but also take into account income distribution. The OECD also notes that rising income inequality tends to be shaped

by an increasing concentration of income at the top end of the income distribution.

Stewart Lansley in his book on the *Cost of Inequality: Why Economic Equality is Essential for Recovery* also presents evidence from the last 100 years which shows that more equal societies alleviate, and more polarised societies exacerbate, the 'gyrations' of the economic business cycle – his work shows that equality has a smoothing effect, which buffers societies against the peaks and troughs of economic booms and busts.

Lansley argues that the driving force behind the widening income gap of the last thirty years has been a change in the way that output of the economy, which is more commonly referred to as Gross Domestic Product (GDP), is divided between wages and profits. The process of decoupling wages from output has led to a growing "wage-output gap", as wage increases have not kept pace with increases in productivity. This trend towards a growing "wage-output gap" has had a very profound, and negative, impact on the way economies function.

For example, purchasing power shrinks and consumer societies lack the capacity to consume. This gap was filled with private debt, which effectively delayed the financial crisis in 2008, but was ultimately unsustainable. Lansley also argues that inequality is not just an issue about fairness and equity, but that it is integral to economic success, because an economic model that encourages the richest members of society to accumulate more and more wealth leads to demand deflation, asset appreciation, and a constriction of the productive economy, which ultimately results in economic instability.

Ending the present crisis and building a sustainable global economy requires a much more fundamental leap that accepts that there is a limit to the level of inequality a country can have that is consistent with stability. This means that the successful management of economies also depends on securing a more equal distribution of incomes but reducing inequality has not been a central economic goal alongside say, controlling inflation, or tackling fiscal deficits.

Translating talk into action requires governments to set clear targets for a number of key economic relationships. These should include striking the

right balance between wages and profits because a lower wage leads to lower growth; the pay gap between the top and the bottom needs to be reduced, as this will contribute to maintaining and increasing aggregate demand; and putting limits on the level of income concentration, which could be diverted into productive investment.

These are difficult choices which are made even more difficult by the current situation that we and other countries find ourselves in. Macroeconomic management that includes these types of measures is necessary to avoid a jobless recovery and to achieve sustainable high employment rates in the medium to long term.

Measures to reduce inequality have a central role to play in creating the right conditions to stimulate sustainable and inclusive growth. The Government also has a duty to support economic and industrial policies that will ensure sustainable growth and create more jobs (by strengthening SMEs and self-employment entrepreneurship, boosting infrastructure projects and investing more in services).

The Government has emphasised the importance of growth and employment as a means of overcoming the crisis and it has developed measures such as the Jobs Initiative and Action Plan for Jobs along with structural reforms to boost Ireland's competitiveness, re-orienting labour market activation and training policy, and supporting microfinance and credit to promote small business development.

While these are important policy initiatives and include much needed reforms they are being undermined by a budgetary policy that continues to suck demand out of the economy and add to the numbers becoming unemployed. The Nevin Economic Research Institute has produced some very important and useful research which shows how a 'Plan B' can achieve the goals of deficit reduction, sustainable public finances, economic growth and job creation by using a different approach which places greater emphasis on taxation and investment.

The research includes a capital investment stimulus €15 billion over six years in the areas of broadband, water, energy, retro-fitting buildings and investing in early childhood care and

education. The NERI research estimates that an investment stimulus of €1bn for one year would create approximately 16,800 additional jobs (both direct and indirect) in the short-term and approximately 700 in the long-term.

This is the approach that is required in terms of stimulating economic activity and job creation in the short-term, while laying the foundations for a sustainable and competitive economy in the longer term. It's important to remember that even within the confines of the EU/IMF/ECB bailout; we still have choices as to how these painful adjustments are made. However, the economic outlook remains highly uncertain and a weak recovery coupled with the current fiscal strategy is likely to lead to unemployment staying high during the coming years.

In these circumstances an increase in the employment rate is a goal difficult to achieve but essential to maintain a cohesive society and to avoid growing inequalities. New credible strategies for growth are required based on restoring confidence, stimulating demand, job creation and offering good conditions for businesses. But we can't do this on our own.

At the European level, stronger action for growth is necessary; which should include a common policy focus on employment and welfare, and positive policies for jobs and business. From the point of view of the forthcoming Irish EU presidency there is an urgent need to recapture the "growth agenda" that very briefly made the headlines after the French elections and there should be an aggressive effort to push the need for a pan-European stimulus or at the very least make the case that co-ordinated austerity constitutes economic self-harm.

The economic crisis and the unemployment crisis are inextricably linked but we also need to consider a wider set of principles that should inform responses to the crisis but also put us on the path towards a sustained recovery and inclusive growth. To do this we need to:

- 1. Identify areas where there is a complementarity between economic growth and social progress.**

For example, investment in education and training is essential because it has a key role to play in addressing the structural issues in the labour force

– by retraining and upskilling people for a very different labour market. However, in the medium to long term, higher levels of investment in early childhood and primary education are essential, if necessary improvements in the education level of the entire population are to be achieved. Life-long learning, the increased importance of human capital and the use of knowledge are likely to be hallmarks of the 21st century economy.

2. Consider the long-term consequences of short term measures.

Especially in the case of young children, where 1 in 5 are 'at risk of poverty', and as we know, this experience is likely to have a detrimental effect on their life chance as they grow up and give rise to social and economic costs on them as individuals, their families, community and the State.

3. There is a need to find a balance and a link between social protection and social investment policies.

For example, Nordic labour market policy is focused on providing a strong social safety net, investment in the population's human capital base, while at the same time deploying activation mechanisms that include an obligation to work. The services provided are high quality – and the skill requirements with regard to the staff are high, with regular evaluations and examinations of their own knowledge and skills.

4. The need to consider more appropriate responses to meet needs.

While this sounds like a simple statement it has profound implications for the public sector reform programme. For example, in the area of health, primary care is a clear priority in the Programme for Government and it is essential in terms of implementing preventative measures and treating illnesses at the lowest level of complication and in a community setting. There are enormous social and economic benefits associated with moving from a hospital to a community setting – but because of the way our system is organised and other factors, progress is very slow.

5. Finally, there is a need for equality proofing and auditing of fiscal and social policies to become part and parcel of how we develop, monitor and evaluate public policy.

In summary, and to conclude, if the principle of reducing inequality is used to inform the management of our economy, coupled with the wider set of principles which I have just outlined above, and in conjunction with a deal on our banking debt, I think we could make significant and swift progress towards economic recovery and in addressing the unemployment crisis.

These are just some suggestions that I hope will stimulate discussion during the workshops and throughout the day.



W

Alternative Economic Solutions

Input Paul Sweeney Irish Congress of Trade Unions
Facilitator Seán Healy Social Justice Ireland

Paul Sweeney posed the question: is the current approach working? He said that although the economy is still losing ground, some stability is discernible: our balance of payments (exports v. imports) is excellent, due to strong exports but also a huge fall in imports both for consumption and investment. However, the lack of leadership from the EU elite is hurting Ireland. In the Troika deal, the period of time for bringing our fiscal deficit down to 3% of GDP is too short. Domestic demand is falling and is now 26% less than it was at the peak. This has meant the loss of too many jobs.

The EU has a vital role but has failed to get its act together. Irish Corporation tax is too low – as the effective tax rate is only 4-5%. We also have the lowest rate of capital investment in the EU, below even Greece. While Bondholders have been hit, they need to carry more of the burden. The Banking system has reformed to an extent but still is a mess. Irish crony capitalism was a significant component of the financial crash. There are tax compliance issues which need addressing. A tax rate of 48% should be introduced for salaries above €100,000. A Financial Transactions Tax and a Property tax should be introduced. The ratio of 2:1 between tax increases and spending cuts should be reversed. Paul concluded that the Government plans for privatisation and industrial policy are wrong.

There was a discussion on the debt. One of the participants said that public debt is a very important part of the equation and needs to be addressed at least as much as the bank debt. Another said that the economy is not sound as it is based on foreign direct investment (FDI) and capitalism is the problem. The facilitator said that it is important to write down debt in society. The Irish debt keeps German banks from suffering losses and 2015 is too short a time to reach the troika target. The international economy is not



conducive to Ireland's return to financial sustainability in the short term. The question was asked by one of the participants as to why ordinary people are paying for defunct banks.

One of the Workshop participants said that corporation tax is very low. Another of the participants said that one area that Ireland needs to develop to a much greater extent is the green economy. They added that we should explore a steady State economy where current wealth and jobs are spread more evenly in society. A participant referred to Peadar Kirby's book "Ecological Socialism" and argued that ecological socialism should take over from capitalism as the sustainable way forward.

One of the participants said that the Nordic tax model should be considered. Another participant said that Co-operatives are desirable and should be encouraged. There was also a suggestion to look at re-instating the sugar industry. One of the participants said that the media have been highlighting that huge numbers of people who do not want to work, but in the past there were only 28,700 long term unemployed (currently there are almost 190,000 people who are long-term unemployed), which shows that unemployed people do want to work if jobs are available.

Paul Sweeney responded to the discussion by calling for corporate welfare to be reduced. We need more support for small and medium sized enterprises than foreign direct investment. This will have more impact on the production of new jobs.

W

Effective Labour Market Policies

Input **Seamus McGuinness**
Economic Social and Research Institute (ESRI)

Facilitator **James Doorley**
National Youth Council of Ireland (NYCI)

Seamus McGuinness outlined some of the key elements in the research literature that have underpinned effective activation policies. These included regular and intense interventions by public employment services, referrals to vacant jobs, referrals to education and training programmes and explicit regulations regarding job search. In relation to training, the evidence shows that training with strong links to the labour market tends to enhance employment prospects. In an Irish context Seamus said that training in job-search techniques and high level specific skills training are most likely to improve a person's employment chances, though most training occurs in less effective programmes.

Seamus said that the Irish and International evidence of public sector job creation schemes, including Community Employment (CE) were that they had very little success in enhancing a person's employment chances, though there were more positive effects in the Irish research of the 1980's and 1990's for private sector employment incentives including programmes such as the Back to Work Enterprise Allowance and the Back to Work Allowance.

There was a lengthy discussion within the workshop on the issue of Community Employment, including a discussion on whether CE should be funded as a labour market activation programme or as a social development / social economy programme. There was a discussion on the progression rates from CE. Some of the participants advocated that CE should measure the additional benefits, in addition to the progression ones, that accrue to both individuals and organisations from the involvement of CE participants. It was argued that funding through a social economy fund would measure wider



impacts and CE would be seen to be more successful.

One of the participants said that while activation is very important it does not solve the biggest problem at the moment – which is the lack of jobs. Another participant said that activation's main use is to stop people becoming long-term unemployed.

There was a discussion on the important role for the new Intreo service. One of the participants said that it is important that all the services, now being linked through Intreo, start to work together and eliminate the traditional barriers that exist. They added that this traditional disjointedness has been a big problem and needs to be addressed while this process is underway.

One of the participants highlighted the need for people's experiences on the ground, both clients and staff alike, to be communicated up the ladder for real change to happen. There was a sense within the workshop that, at the moment this is not happening in a structured or consistent manner and is causing a hindrance to the development of policy and new practices.

W

Welfare Rates and Low Pay

Input Orla O'Connor NWC

Facilitator Paul Ginnell EAPN

Orla O'Connor identified different ways in which the social welfare system virtually precludes people from taking up the few working opportunities that still exist, which are often of a part-time nature.

There are a number of aspects to the Family Income Supplement (FIS) which should be changed. One is the requirement that an applicant works a minimum of 19 hours. If an employee in retail is offered a 3-hour / 5 day opportunity they will not be able to avail of FIS. Similarly, other areas of the services industry, notably the cleaning sector, offer work over restricted hours, usually on or slightly above the minimum wage.

The delay in processing claims for FIS is another disincentive, and further contributes to the low take-up of the payment. The Department of Social Protection seemed incapable of dealing with the volume of claims being made. It was proposed that the FIS payment should be automatic. It was also proposed that if a person in receipt of FIS has a new child, this should automatically lead to a FIS increase. The point was also made that Family Income Supplement was an entitlement, and not "free money from the state".

One other significant disincentive was that working for even one hour a day rules a person out of any Jobseeker's Benefit payment for that day – as employers may have one or two hours available which, if taken up by a person on the benefit payment, would actually cost that person income.

Restricting a person on Jobseeker's Allowance to three days again fails to recognise that work practices have changed drastically in the recession. The system for qualified adults, where the disregard is limited to 3 days but there is no restriction on days worked, should be considered for the main claimants on Jobseeker's Allowance.



One of the participants referred to the prevalence of part-time working opportunities. The participant added that the system has not adapted to these current working practices. Another participant referred to difficulties within the social insurance fund and model. One participant said that the PRSI system incentivises employers to take on employees on a Part-time rather than Full-time basis.

A participant said that one big problem is that the employment supports services are not linked up. One of the participants said it is hoped that the introduction of Intreo rectifies this situation.

There was a discussion on the lack of jobs in the economy. A participant referred to the situation where current employment schemes are not creating real jobs. They added that some of these, particularly some of the JobBridge positions are being abused by employers. Fears were expressed by a number of participants that some JobBridge internships are replacing jobs.

W

Jobs for the Future and Matching Skills

Input John McGrath FÁS

Facilitator Tony Donohoe IBEC

John McGrath outlined the work that he and his colleagues do in forecasting the employment potential of different sectors. John said that the figures are based on a 5 year forecast. Data mining techniques are used to find preferences and information which builds up profiles of people. 80% of unemployed people don't have qualifications to work in professional and socio-professional jobs and unfortunately John added that in a range of other work, there is little or no future for people in these areas. A number of areas such as ICT and Greenskills were mentioned as providing potential opportunities. Electricians, Fitters, Plumbers are receiving training in Greenskills which could provide alternative areas of work.

Some of the jobs in the ICT sector which require a degree could be filled through apprentice positions –which happens in Germany and France, though this has been harder to get across in an Irish context. This is an area that apprentices could be expanded to post-secondary. John noted that there is a shortage of trained people in certain manufacturing areas and languages are really important in marketing.

There was a good discussion on traineeships. One of the participants asked what happens if a person chooses the wrong sector. A participant mentioned that Eircom offered 50 apprentice places for the first time in 30 years and received 5,000 applications for the positions even though they were only paying €19,000 for the jobs. One of the participants said that skills should be transferable. Another said that the most important of the four C's that Senator Quinn mentioned is confidence, as people often lack confidence to reskill.

There was a discussion about the services that are required to assist unemployed people to return to work. One of the participants referred to the



need for better communication between departments and agencies. Another participant said that people should be able to speak with a knowledgeable person in the Social Welfare Office and this should happen without glass between them. Greater specialisation is required. A participant said that people are being sent around the houses to find out simple information and it is important that this is changed. It was also noted that unemployed people need access to one-to-one supports. One of the participants said that the Local Employment Services provide fuller information and greater support, though they noted that these are not in every area.

One of the participants discussed the need to monitor traineeships and ensure that people access these opportunities because they are interested and these are good opportunities: rather than the person being unemployed and the need for them to be placed somewhere. A question asked at the Workshop was how many of those giving advice knows where the jobs are? Another participant said that it would be important to connect people who have done the training with the jobs. One of the participants said that the Technical Employment Support Grant limits a person to FETAC level 6 and this needs to be changed. It was also mentioned that people are being denied access to the Back to Education Allowance because they have completed a course at a similar level previously, even if this was a completely different discipline.

Panel and Plenary Session: Getting Back to Work



Panellists

David Begg (Chair) ICTU

John McGrath FÁS

Ann Fergus INOU

Sinead Pentony Researcher

Orla O'Connor NWCI

Mary Stokes Adult Education Guidance Association of Ireland (AEGAI) said that the communications need to be better synchronized between the different services available to unemployed people.

Ann Fergus said that opportunities that are offered should include full information and implications. Ann added that integration was required.

David Begg said there is no doubt but a more coordinated approach is necessary.

Orla O'Connor said that the disconnect that exists between services affects unemployed people. Orla added that this isn't a new problem and there are lots of recommendations about how this needs to be tackled including increased training and building up capacities.

John McGrath agreed that there often is a lack of communication. John said that his section produces reams of data on where jobs are. John added that it is important to make that data intelligible to the jobseeker. John said that on the FÁS website there is one page per occupation which gives the percentage opportunity for obtaining employment.

Mary Stokes said that people on social welfare are being threatened with being cut off their payment. Mary added there should be clear guidelines.

Elaine Harvey, Galway LES asked what the panel think of the comment that 'we are all in this



together'. Elaine added that there is a widening disconnect between senior civil servants and practitioners. There should be more space so that we are working together.

John McGrath said that his own work is in the area of research, though there is an opportunity to influence policy by getting, analysing and providing good information. John added that the National Qualification Framework will facilitate movement across the framework.

Sinead Pentony said that the labour market is much more complex and a variety of skills are required. Sinead added that reforms are underway 10-15 years too late. Sinead said that a truly joined up approach bringing together service users, providers and state agencies is required.

Ann Fergus said that regardless of the rules that are instigated, some people will fall between the gaps. Ann added that the lack of flexibility will hit these people the hardest. Ann said that the model we will require is one that meets all people's needs and allows them some way to input. Ann said that the new service Intreo is unfortunately named as it sounds like Intro which is a dating agency.

Norman Clifford, INOU Building Futures said that his own background was in the printing industry and added that he heard of a number of positions that may have been jobs previously that have been filled as internships under the JobBridge programme. Interns are being sought.

Pat Kelleher, EDIC asked if it was time to revisit apprenticeships. Pat added that there is no training for trades currently and asked whether this is a lost opportunity.

Maureen Bassett, NALA said that we need to prevent people from becoming long-term unemployed. Tackling lower skills and education attainment should be prioritised. Maureen added that literacy and numeracy courses should be integrated as this improves options for all participants.

Ann Fergus said that there is a need to provide high levels of support to unemployed jobseekers to ensure that they are in a position to take up some of the jobs that are currently available and ones that are more likely to be available in the future.

David Begg acknowledged the point raised by Pat Kelleher and added that there is a really strong emphasis on university for a lot of Irish people, whereas in Germany and some other countries they put more emphasis on trades etc.

Sinead Pentony said that the German system where people work and learn on the job makes a lot of sense. Sinead added that we should focus on the low carbon economy looking at retrofitting, wind turbines and technology. Sinead said that the apprenticeship model could be used for these opportunities.

John McGrath said that in relation to the query earlier, the printing industry does not have a great future. John added that in the Industrial, automation, pharmaceuticals and medical sectors where they involve new technologies are areas that require workers. John said that if an employer abuses the system in relation to JobBridge they should be reported. John said that 80% of unemployed people do not have third level qualifications. The path to employment that is not through third level is not there. John added that a properly structured career path is required. John said that the Irish apprenticeship system is very well regarded.



David Begg said that we need to seriously look at what type of education and training system we need. David added that a lot of the focus has been on the supply side, but the demand side is huge in the current crisis. David said that the state also has an important role as an employer of last resort. The current levels of 15% unemployment and a huge number of people long-term unemployed are not sustainable. David pointed out that we lack the institutional framework for sharing views and that National partnership, for all its flaws, provided that mechanism. David thanked the INOU for organising the Conference and the panel for their valuable input.

The best of what works in other countries

John Sweeney National Economic and Social Council



I came from another organisation's conference, the Community Action Network who are also celebrating their 25th anniversary. That the INOU is here at 25 is a tribute to the solid foundations that were laid in 1987 and since. Our current unemployment crisis is primarily because labour intensive sectors of the economy contracted hugely (construction and domestic services). It is *not* the particular fault of our labour market institutions, or of our labour market and social welfare policies.

The current Irish welfare state is achieving a lot: it is reducing the scale and depth of income poverty, it's rising expenditure is countercyclical, work continues 'to pay' for the large majority of the unemployed, the unemployed face a lower 'at risk of poverty' rate than elsewhere in the European Union.

Concern for *what might happen* to people on the Live Register (their slide into 'structural unemployment', hysteresis, a repeat of the early 1990s) means leaving no stone unturned in ensuring 'employment services' are as effective as possible and that social welfare 'helps on' rather than 'holds back'.

'I could look at different countries and look at what's useful - talk about the Nordic welfare state with universal access to quality public services including childcare and lifelong learning. Unemployment benefits are paid at high levels when people are first unemployed and effective training programmes, given the employers seal of approval, are available. To remind us of this now, however is to put salt in our wounds.

I could take lessons from flexicurity where the average Danish worker is not threatened but is looked after well when in between employment and can avail of training that is effective. There are also lessons from the Anglo-Saxon model where the services are often more closely engaged with employers.

However there are six things that I think are required to achieve sustainable independence for the jobseeker:



- Support jobseekers' capabilities to re-route themselves during the first months of unemployment spells (implies Public Employment Service for everyone, insurance-based payments that 'smooth consumption', etc.);
- As unemployment spells lengthen, increase the level of engagement, identify barriers an individual faces and an adequate response to each, agree personal progression plans, and be able to insist on adherence to them;
- For some groups (youth; risk factors identified through 'profiling'), it is important not to wait but respond to them immediately as though they were already long-term unemployed;
- Vocational Educational Training that enhances employability is the 'golden road' but it is not for everyone, nor is it particularly easy to identify;
- Improve the efficiency of job-matching, even in a recession, and especially for the long-term unemployed. Non-profit bodies and the private sector can succeed where the Public Employment Service does not;
- Sanctions and obligatory participation in temporary direct employment programmes are necessary, but do not have to be on a large scale to serve their purpose.

This debate must be about what is possible. It is vital that we get the new national employment and entitlements service, Intreo right. A previous report found that engagement with the National Employment Action Plan actually reduced a person's chance of finding a job. People pick-up when the public service is not able to help them, so the service and service personnel need to be

enthusied, flexible and provide continuity and consistency.

Intreo needs to convince employers they will be able to access the employees they need. Good job matching is necessary. There are also huge advantages to employers if they recruit a considerable percentage of local people.

INTREO: ingredients for success

From the perspective of the unemployed person

- 'One stop shop' (no silos)
- Income security while 'trying' (no falling between stools)
- Range of supports (to reach barrier a response)
- Effectiveness of services (no going through the hoops relevant)
- Personal progression plan (ambitious, phased, feasible)
- Personal 'advisor' (continuity, consistency)

From the perspective of employers

- The employees they need (available, competent)
- Speedier, less costly recruitment (inc. longer tenure)
- Avail of subsidies
- More locally embedded
- Contribute to national priorities
- More inclusive workforce (people with disabilities)

From the perspective of the public system

- Shared information systems
- Active case management
- Staff numbers and staff competencies
- Employer interest and offers
- Training/education places relevant to their clients
- Obligatory temporary direct employment as last resort
- Sanctions
- Involvement of non-profit providers
- Involvement of private providers
- Contracting expertise

Learning from a British perspective

Colin Hampton Derbyshire Unemployed Workers Centre



This is a war: a war against unemployment and poverty. This is about choices, about economic choices and about political will. Unfortunately in the UK, the eradication of unemployment is a long way down the list of political priorities.

I looked back to work we did with the INOU 20 years ago about the principles that labour market policy must adhere to. These principles are worth repeating now.

Firstly, all schemes should be voluntary. I can understand that people feel that there should be obligations on individuals. This can be particularly so at a time of mass unemployment. However, if the state has no obligation for providing full employment, unemployed people might consider this one-sided. If schemes are bad, people are still forced to do the course and if people are forced to go on courses or programmes there is no onus on ensuring that those courses are quality and effective courses. These will only compound a view that unemployed people are scroungers. When sanctions were introduced in the UK, the numbers of people who expressed negative views in public attitude surveys towards unemployed people increased. Sanctions are not about engagement, but showing that unemployed people are feckless. We should reject conditionality until there is an equal commitment to full employment.

Secondly, there should be no job substitution. Workers should not be displaced by internships. Far from encouraging a person into employment, internships provide workers for free.

Thirdly, there is a need for quality within any initiative. Short-term precarious work benefits no one. Quality and quality training have to be at the heart of every labour market initiative. This has to lead to progression to work. It is important that we get everyone involved. All things that are aimed at the poor will be poor.

Fourthly, unemployed people are very vulnerable. The Jobseekers agreement is one that if you don't agree, you lose your benefit. We need organisations to speak on behalf of unemployed people.



The last UK government introduced a Future Jobs fund. These transitional jobs are more costly than most initiatives. They were aimed at young people and gave them confidence and real skills. This is the type of initiative we need.

When people become unemployed, research shows that people have a 65% chance of remaining unemployed if they haven't found work within 9 months and a 70% chance of remaining unemployed if they haven't found work within 1 year. Early intervention is the key. It is not just about ensuring potential and income, but also about well being. If we don't provide effective quality interventions, the cost is huge. The cost to the tax payer is immense and is paid for by generations to come. In the narrow accounting of economists and politicians they are not worried unfortunately about what happens in the future, but only what is happening now. They lay the blame of worklessness on unemployed people or make money on people's desperation. On Channel 4 last night, there's an interview with Emma Harrison who was paid over €8million as head of the big welfare to work private company, A4E. If you get a chance to look at this, do.

W

New Ideas

Inputs: Kevin Empey Worklink and
Lucy Masterson Hireland

Facilitator: Michael Glennon Sligo Leader Partnership

Kevin Empey, outlined what Worklink does. It is a volunteer led, employment support network that has been formed to assist unemployed jobseekers to successfully move into employment. Worklink's professional volunteers support employers and jobseekers to access and run employment activation schemes such as high quality work placement and internship programmes. They also provide professional career coaching to jobseekers through jobseeker support organisations.

Lucy Masterson, discussed the development of Hireland where Lucy and her family and neighbours talked about the numbers of young people emigrating and the need to do something to try to counteract this. The idea that developed from the initial discussion was to encourage businesses to pledge a job or jobs. Both Hireland and Worklink are not-for-profit organisations.

Several Workshop participants provided information and details on their work. All of the participants noted how networking was highly beneficial on both a personal and professional level in their work, particularly in identifying and pursuing employment and enterprise opportunities. It was proposed that networking and the creation of networks should be supported and developed on a local and regional basis.

A number of the participants identified the need for a proper formal 'space' to be created for people to network, meet, share and develop ideas. This framework does not exist nationally and in response fluid and flexible models had been developed locally/regionally to meet specific needs. Suggestions included linking the business representative organisations, trade unions and other interested groups. Sharing of information on what works, what does not work and the reasons for this were seen as really useful in developing and mainstreaming innovative ideas. Contributors suggested that such initiatives should

be monitored and where successful outcomes are achieved that state/local and regional bodies/agencies should work together to identify how such successful initiatives can be developed and rolled out locally and nationally.

More than one participant identified that they found that 'organically' generated, demand led initiatives proved more successful than 'imposed' initiatives with narrow objective outcomes. It was suggested that local and regional organic initiatives can be very useful in responding to the on-going needs of the unemployed people and also small and medium sized businesses.

There was a discussion on job creation. While large job announcements by multi-national companies were welcomed as positive steps towards creating employment, participants also referred to how these were often very specific and sometimes highly specialised opportunities. A number of participants said that it was vital that equal emphasis and support should be given to small and medium sized businesses so that they can maintain and create jobs.

The continued development of training/education and employment initiatives to support the development of small/medium businesses was seen as crucial in progressing recovery and improving the levels of sustainable employment. The direct involvement of the state at local and regional level was identified as a crucial factor in supporting recovery and needs to be applied in conjunction with recognising local/regional considerations.

A Workshop participant felt that the development of new and innovative channels of communication is necessary in order to properly evaluate and work with new ideas. They added that it was important not to solely rely on the older established ways of working.

More than one participant referred to the barriers between various government departments and agencies which had played a significant role in stifling or preventing the implementation of new ideas. Suggestions included that cross departmental – agency bodies should be developed and utilised in the context of local and regional responses to unemployment and enterprise.

One of the themes that recurred at the workshop was the belief that the range of skills, ability and

knowledge of unemployed people, business people and entrepreneurs are not being fully and appropriately recognised and utilised to address the gaps in existing programmes. Greater networking and coordination at a micro level was proposed as a way of providing a solution to this.



Michael Ewing introduced the Irish Environmental Network (IEN) as a group of 33 environmental organisations. The IEN are members of Social Partnership and deal with 7 government departments. One of the aims of the Network is to promote sustainable job creation. The Network has developed a Green Economy plan. Michael outlined the hugely significant job potential in the environment. Some of the areas that the IEN see particular job growth include water quality, retrofitting of 1 million houses for heat saving, local renewable energy, coppicing, wood chips and combined heat and power plants (CHP) which are up to 80% fuel efficient. These are all sustainable and ecologically sound.

One of the Conference participants referred to the great potential of green tourism. The Great Western cycle greenway in Mayo was mentioned as a great success. Elsewhere other successful developments include upgrading canal towpaths as walkways and cycleways. There are rural and urban aspects to sustainable jobs. In urban areas, food production can be undertaken in derelict buildings. Another participant spoke of the job potential for Dublin Northside tourism.

A participant referred to focussing funds on public goods which benefit larger numbers of people and leads to sustainable jobs. The potential of Social Economy projects was also referred to, including the potential for projects which could be supported by local authorities. Another participant outlined the potential in waste and referred to jobs in waste treatment, septic tank inspection, new green technologies and water harvesting. The flood retrofit in Cork was also highlighted as having job potential. Jumping unnecessary barriers / hurdles and difficulties in making contact with the appropriate people are problems in getting things done. A more efficient and comprehensive recycling emphasis was also recommended both in terms of reaching sustainable outcomes in jobs and the environment. One of the participants said that translating policy into action is a problem. One of the workshop participants proposed that network spaces need to be provided to pursue ideas, overcome practical difficulties and bring projects to fruition.

W

Collective Ways of Working

Inputs: Mary Smith EDIC Longford and Michael Ewing Irish Environmental Network

Facilitator: Elaine Harvey Galway LES

Mary Smith opened the discussion by talking about the high unemployment in the 1980s when the Centres for the Unemployed were formed. Mary added that we have an equally serious job crisis now for which we need new ideas and a response at a local level. Mary outlined some of the initiatives that the EDIC, Longford have been engaged in. One of these initiatives is the Revamp project where young men repair furniture which is then sold in a shop in the EDIC. The Centre provides instruction in craftwork and has also developed a catering kitchen. A Community Services Programme project is providing school meals and work opportunities. The Centre is providing pilot projects for youth training in restoration and construction work. In addition to giving local people the opportunity to gain new skills, this will help in redeveloping St. Mel's Cathedral.

W

Innovative Programmes

Inputs: Rachel Lillis and Pat Kavanagh
Ballyrunners and Equal Youth Inter-Agency Network
Anne Malone, Monaghan High Support Process

Facilitator: Brian Carty
Irish Local Development Network

Rachel Lillis and **Patricia Kavanagh** discussed Ballymun, including the high unemployment rates in the area and how this can lead to a range of problems within the community. The collective work of the agencies involved has been really useful. Ballyrunners is aimed primarily at young people who are involved with the probation services. The agencies work together on creative activities to encourage young people facing high unemployment within communities. A common theme is to provide activities including sport and voluntary work that introduces unemployed people of all ages to work together.

Anne Malone discussed the rural experience in County Monaghan. The High Support Process brings together the range of local agencies including FÁS, Local Employment Service, Department of Social Protection, Employability Monaghan Ltd, County Monaghan VEC, HSE,



Probation Service/IASIO and National Learning Network. The bi-monthly meeting discusses local employment and training issues for the unemployed, client case-conferencing, identifies gaps and proposes local solutions. The process has been really useful in sharing professional knowledge, skills and support to staff dealing with labour market issues. The aim is to support unemployed people seamlessly, facing multiple barriers towards progressing into training education and employment.

There was a good discussion on important factors that underpin good collective working. More than one participant referred to the importance of providing opportunities for local people and agencies to work together. Another participant identified the significant potential that can be realised by bringing together a range of different agencies. The participant identified the good community spirit that can result from significant collective working. There was also a discussion on how best to learn from these processes.

The importance of networking and providing opportunities for linking people who are working 'on the ground' with senior officials and representatives was mentioned as being important. One of the inputters said that involving a broad range of people locally can result in benefits at both an individual and community level.

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Getting Adult Education and Training Right

Inputs: Berni Brady Aontas and Carmel Duggan, WRC

Facilitator: Sylvia Ryan
ICTU Congress Centres Network

Berni Brady gave a brief presentation on the outcome of the Aontas Lobbying for Learning Day. The purpose of the day was to bring the important role of adult and community education to the attention of government and to make a case for its support. The day was attended by Minister Ciaran Cannon and Seamus Hempenstall, Principal Officer, both from the Department of Education and Skills. The main recommendations coming out of the day were that for quality adult education delivery and a positive experience for learners specific items need to be in place, namely a proper recruitment process, high quality tutors and programme supports, and post progression supports.

Carmel Duggan also gave a brief presentation on the Mount street Trust Employment Initiative (MSTEI) and the learning from it. The MSTEI is a project set up with funding from the Mount Street Trust and includes three organisations One Parent Exchange Network (OPEN), Ballymun Job Centre and the INOU. While each of the three participating organisations deliver specific programmes, they are working together to develop a model or models of best practice to move long term unemployed people and others experiencing poverty into employment. The learning coming from this project parallels the Aontas learning and highlights the importance of good recruitment processes, high quality tutors and supports and post progression support.

There was a good discussion on what makes up the important aspects for access and retention on courses. A number of participants said that a person's capacities and skills to cope with the programme was a key requirement. Participants



agreed that, key to this is a thorough recruitment process which includes good guidance by trained guidance people.

Participants also highlighted the importance of flexible programmes. A participant added that Programmes need to be flexible to take into account the life circumstances of adults. Participants also highlighted the importance of providing supports to ensure that learners are supported as much as possible. A number of participants said that training programmes should include one to one support where needed.

It was also suggested that all adult tutors should have some form of literacy training, as it has shown to be an issue among adult learners. It was also proposed that each programme should have a built-in induction period. Another participant noted the importance of having some resources available in order to address needs that may arise. Organisations who deliver training should also bear in mind accessibility for adults to the programmes, including start times, location and childcare issues. A participant made the point that private providers are charging large sums of money for training but are not putting in place adequate resources for participants. It was also suggested that mentoring should also be considered as a support on training programmes.

Panel and Plenary Session: New Employment, Entitlements and Education and Training Structures



Panellists

Anne Vaughan (Chair)

Department of Social Protection

John Sweeney, NES

Colin Hampton

Derbyshire Unemployed Workers Centre

Paul O'Toole FÁS

Brid O'Brien INOU

Tony Donohoe IBEC

Anne Vaughan introduced the panellists. Anne said that the Conference was very useful in bringing people together from all strands. Anne said that there are three key areas or top level functions for the work of the Department of Social Protection and Intreo in particular. The first is to deliver quality income support. The second is activation and the third is control of abuse.

Deirdre Smyth, Northside Centre for the Unemployed said that the Centre engages at local level. However, through their own experience and discussion with a range of organisations, there are different interpretations locally, different rules and different ways of working. This might result, Deirdre added in ensuring that if issues could not be dealt with locally, they might be appealed to a higher level.

Elaine Harvey, Galway Local Employment Service (LES) asked what would need to be done to make the FÁS jobs website, Jobsireland.ie a site that would be used by employers as the positions advertised are mostly Community Employment (CE) or internship places.

Anne Vaughan said that in relation to individual cases, it would be best to resolve issues at a local level. Anne advised talking to a local manager. If this is not resolved or if there are local areas where problems arise, Anne said that people can take up issues through the Department or the INOU. Anne added that sometimes it might be that particular cases can be more difficult.



Tony Donohoe suggested that many employers have not traditionally regarded the public employment service as their first choice as a source from which to recruit staff. However the reconfiguration of the public employment service and the education and training sector offer major opportunities, particularly at a regional level. He argued that the development of a quality service will depend on the principles of 'quality', 'responsiveness' and 'connectedness' being at the very centre of the redesign of the new local employment and training structures.

Paul O'Toole said that we are undergoing massive change currently. One person at the Aontas learners' festival, Paul added, spoke of the challenge they had in learning to read. They went to the door of the centre three times before they had the courage to go in and they found the person who dealt with them very helpful and they were on their literacy journey. Further education needs to deliver this. Paul said that there are a broad range of providers and courses and there will be a role for SOLAS to make sense of this and to ensure that people receive better outcomes. Paul added that SOLAS will not be FÁS mark two. It will try to inform and guide and key to this will be better quality research and education with ambitious and measurable targets. SOLAS will support the Education and Training Boards in their

education and training delivery. SOLAS will also try to ensure the best return for the State's investment. Paul said that success will be based on better outcomes. This may mean jobs for some and for others it will have been an important part of their journey.

Peter Johnson, Jobcare said that he was energised by the Conference. Peter added that one key point that comes up time and time again is the importance of the individual. Peter said it is important that people are treated with respect. Peter concluded with an anecdote about two people on the beach with thousands of starfish. Every five steps or so, one of the two threw out a starfish into the sea. The other person asked him what difference would that make with so many starfish and he answered it made a difference to that one.

Michael McNamara, INOU General Branch asked Tony Donohoe what IBEC believes should be done to create employment. Michael also said that in the collective ways of working workshop, the inputs showed what could be done when agencies and services work together.

Rotimi Adebari, Supporting Unemployed in Laois (SUIL) said that many people contact him who do not want to go on the dole, but need training. They can't get training because they are not in receipt of a social welfare payment.

Tony Donohoe said that the creation of jobs on the scale that will be required to have a significant impact on unemployment figures will only be achieved through a combination of measures to restore business competitiveness and stimulate domestic demand. However labour market activation policies are also important in order to tackle long term structural unemployment and ensure that unemployed people have the relevant skills to take up the jobs that will be created when Ireland starts to emerge from the recession. He pointed out that in 1995 we had a 9% long-term unemployment rate and a growth rate of 6%. We need to ensure that we don't make the same mistakes again.



Learning from the Past

Mike Allen, Ex INOU General Secretary



25 years ago when the INOU started, we hoped that we wouldn't have a 25th anniversary of the organisation. I recognise a lot of faces from before. Everybody here is coming together to be a movement to defy the cruelty and suffering of unemployed people. When I thought of the learning from the past, I think of two sorts of lessons.

Firstly you have signed up for another long struggle and secondly remember your own unique story. I had been employed before and lost my job in the 1980's, but I didn't forget the humiliation and powerlessness I felt and the way I and others were treated in social welfare offices and by politicians. It is important to remember your own story when you lost your job and to connect back to the anger you felt.

There are limitations to this, limitations of unemployed people's own anger. The INOU and other local organisations job is to make other people angry. During a time like this, when so many people are suffering, when most workers are paying more and working for less, the difficulties that unemployed people face is a hard message to communicate. But it is vital that it is communicated.

We are collectively looking for solutions to unemployment as a political or social phenomenon. We need to address the causes. One of the conference participants mentioned earlier about throwing a starfish from the beach into the water. The problem is that there are others throwing a lot more back on to the beach. Conferences like today's are important because we need a very strong central vision rather than an individual solution. We need to recognise the huge significance of paid work as central to a person's life.

One encouraging aspect of today in comparison to conferences which were held during the last major unemployment crisis is the language that officials and others use. The cynic in me asks about the difference between the language and the reality. But we must make this real. Training is also



very important as part of the individual and collective solution. However, training will never be enough. It has to be about the demand for labour. This is the most fundamental issue to tackle.

While the language is more encouraging, everybody I met over the last four years has experienced the same humiliation. This is not just wrong but is the complete antithesis to what a person needs. It is depressing to find that repeated now. One of the lessons of the 1980's was the pressure staff were under to deliver. We knew that in the INOU, but unemployed people have rights and need to be treated right.

The lived experience of what it feels like to be a person without a job needs to be at the centre of the INOU's work. The INOU has built expertise. The publication, *Working for Work* is reliable and knowledgeable and comes about as a result of the expertise in the organisation. The INOU needs to provide that echo of where things are not working, but also the organisation needs, sometimes to say that something is wrong. The INOU should be proud to be that voice. This is something that is well worth doing. Keep doing it.

Closing Remarks

Bríd O'Brien

This has been a very interesting day. We were trying to bring as broad a group of people together as possible. We know that no one group has all the solutions and we were eager to provide an opportunity for people to network, discuss, argue and identify where learning and knowledge could be gleaned.

Senator Quinn referred to commitment earlier in the day. The individual can only do so much. The system needs to be committed to ensure that it prioritises the person's development. The Senator referred to the 4 C's in his presentation and I would like to add two.

The first one is choice: choice is vital. It is absolutely counterproductive to put people on courses when they do not want to be there and see no value in it. People need to be on the course that is right for them.

Secondly, collective action is required. We need to prioritise getting people back to work and we need every sector of the economy, including the state, local and community initiatives and the Co-operative movement working together to address this crisis.

I would like to thank all the participants for coming and for contributing to the day. I would like to thank all the speakers – Minister Quinn, Senator Quinn, Sinead Pentony, John Sweeney, and Colin Hampton; panellists; workshop contributors and facilitators. I would also like to thank our chairperson Ann, NEC colleagues and staff for their work on making this Conference a success.





List of Participants

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David Begg, Irish
Congress of Trade
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Ruairí Quinn,
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