



## IRISH NATIONAL ORGANISATION OF THE UNEMPLOYED

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### INOUE SUBMISSION ON THE ESF 2014-2020

#### Introduction

To address the employment challenges facing Ireland in a 'smart, sustainable and inclusive' manner demands a commitment to equality and social inclusion being embedded into the heart of policy making and practice delivery. It demands incorporating the learning arising from targeted work into the mainstream, so that people experiencing social exclusion, marginalisation and discrimination are not left further behind but see the system changing to ensure that by 2020 Ireland and Europe will be a better place in which to live and work.

The extent of the unemployment crisis that hit Ireland over the past number of years has obscured the structural inequalities in the Irish labour market that left many people of working age without paid employment because of their age, their community / class, their ethnic group, whether they were parenting alone, had a disability, or living in a rural area with little or no employment. Joblessness remained high even during the Celtic Tiger years and has been further exacerbated during this period of socio-economic collapse and implementation of fiscally austere measures.

Work has been cited as an important route out of poverty but in a world of increasingly precarious work this does not always hold true. To that end it is welcome that in Article 2 of the Regulation of the European Parliament and of the Council on the European Social Fund that included in the ESF's mission shall be to "promote high levels of employment **and job quality**". The Article goes on to say: "support the geographical and occupational mobility of workers, facilitate their adaptation to change". However, there is a challenge, if not a contradiction, facing the EU in its pursuit of growth that is 'smart, sustainable and inclusive' when increasingly labour market flexibility equates with precariousness and income insecurity. This in turn throws up significant challenges for Europe's social development and questions how exactly is Europe and Ireland to fulfil the latter part of this Article which states that the ESF should "promote gender equality, equal opportunities and non-discrimination, **enhance social inclusion and**

**combat poverty**, thereby contributing to the priorities of the European Union as regards strengthening economic, social and territorial cohesion.”<sup>1</sup>

It will be critical that in the emerging OP that the Horizontal Principles are viewed not merely as a reporting requirement but as a set of principles which really inform programme design and delivery and strive to contribute to the attainment of national and European programme goals.

## Role & engagement

The INOU agrees that *“There is very broad support for the role of the ESF. The ESF is seen as providing considerable European added value in allowing Member States and regions to address key European priorities through European funding. It is considered an essential building block for addressing the main challenges faced by Europe citizens and for progressing towards the targets set in the Europe 2020 strategy. Concentration on the main challenges and Council Recommendations is widely seen as an important precondition for the effectiveness of support. Reducing the complexity of support and the related audit burden, notably for smaller beneficiaries, is also seen as an important area that needs to be addressed.”* (p4)

The INOU is strongly of the view that to realise the vision contained in the ESF’s mission that local and national organisations working on socio-economic, anti-poverty, social exclusion and equality issues are actively involved in the ESF, its development and roll-out in Ireland. This is particularly important given the call within the Regulation that: *“Member States should combine a robust mainstreaming approach and specific actions to promote gender equality and non-discrimination”* (p6). And the subsequent acknowledgement that: *“The mobilisation of regional and local stakeholders is necessary to deliver the Europe 2020 Strategy and its headline targets. Territorial pacts, local initiatives for employment and social inclusion, **community-led local development strategies** and sustainable urban development strategies may be used and supported to involve more actively regional and local authorities, cities, social partners and **non-governmental organisations** in the implementation of programmes.”* (p9)

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<sup>1</sup> REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the European Social Fund and repealing Council Regulation (EC) No 1081/2006

## Thematic Objectives

*“In terms of scope, the draft ESF Regulation for 2014-2020 proposes to target the ESF on four ‘thematic objectives’ throughout the European Union: (i) promoting employment and labour mobility; (ii) investing in education, skills and lifelong learning; (iii) promoting social inclusion and combating poverty; (iv) enhancing institutional capacity and an efficient public administration.” (p5)*

### **1) Promoting employment and labour mobility**

- Of particular importance for the INOU is access to employment for unemployed people and others distant from the labour market which constitutes a diverse group with a wide range of needs and challenges to be addressed. For some people the issue is primarily the inadequate supply of jobs and the lack of access to those that are available. For others it is the mismatch between their existing skills and the skills required to access existing and emerging employment. While for others it is the combination of the previous two issues, the reality of discrimination in the labour market and the sequent structural nature of the socio-economic exclusion they experience.
  - i) For the first group’s unemployment to be addressed Ireland needs enhanced job creation and an improved public employment service that supports unemployed people to access available work and encourages employers to employ them. To some extent these issues are being addressed through *Pathways to Work* and the *Action Plan for Jobs*.
  - ii) For the second group their needs should be addressed through the second thematic objective ‘Investing in education, skills and life-long learning’. However outcomes for this group will not be fruitful unless the actions identified under i) are productive.
  - iii) The ESF and actions funded through it will be absolutely critical for the third group, who run the risk of being left far behind even if i) and ii) work out well and Ireland’s labour market rebounds. Initiatives must be supported that create access points to the labour market for people whose experience is captured within the term ‘joblessness’: many households are included in this term because of long-term unemployment; disability; age; family, ethnic or social status; urban or rural disadvantage or isolation. Critical to the development of initiatives in this area will be the issue of mainstreaming. To-date this is the part of the process where so many

previous projects have fallen down: yet if it is not properly addressed Ireland / Europe's growth will be neither inclusive nor sustainable.

- Addressing youth unemployment and in particular the needs of young people who are not in employment, education or training will be important. The emergence of the Youth Guarantee and the Youth Employment Initiative clearly have vital roles to play in addressing these issues: in particular for the ESF in supporting initiatives that address socio-economic exclusion for marginalised young people. However, without significant creation of *decent* employment there is a real danger that these developments will not be productive. Recent research findings highlight that many young people have emigrated from Ireland from a job, leaving because they did not see a sustainable future for themselves here in this country<sup>2</sup>. For other young people they do not only have a personal but a family and communal experience of unemployment. An experience that is invariably structural in nature and often misconstrued in popular discourse as a lifestyle choice. At present many of the initiatives targeting the unemployed are not available to young unemployed people. Given the increased focus on youth unemployment, one mechanism to compliment these developments would be to create earlier access to programmes for participants under the Youth Guarantee.
- Self-employment for many unemployed people distanced from the labour market for geographical reasons or reasons of inequality / discrimination may be the only potential option. For many unemployed people the main support is the Back to Work Enterprise Allowance. Under the Action Plan for Jobs a wider range of supports for small or micro enterprises are emerging; the Local Enterprise Offices are rolling out while the City / County Enterprise Boards are closing. A useful project under the ESF would be the development of targeted supports for isolated rural communities; urban disadvantaged communities; and communities experiencing significant socio-economic exclusion in particular Travellers and Roma. This is one area where the practical application of the Horizontal Principles could be developed and support the development of an integrated and inclusive range of self-employment / enterprise supports.

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<sup>2</sup> "Almost half of all emigrants left full-time jobs to emigrate, while one in eight worked part-time." Irish Times 27.9.13 on UCC Émigré project.

- There is much discussion on youth unemployment at present. However, the age profile of the long-term unemployed is older and the INOU is conscious that age discrimination is an issue in the Irish labour market. So for some older unemployed people the challenge facing them is one where the skills and experience they possess is no longer sought in the labour market; while for others there is a strong sense that they have the skills but are not seen as potential employees because of their age. A striking feature of the Springboard evaluation was the dramatic fall in employment outcomes when participants were older than 45. Ireland's pension age is increasing and therefore Ireland's labour market must be accessible to older workers and supportive of their increased participation.

## **2) Investing in education, skills and life-long learning**

- The strong correlation between educational and employment status is well established. It is vitally important that initiatives like Springboard; the ICT Conversion Programmes; and Momentum are built on to support unemployed people to re-skill and re-educate themselves to access available and emerging jobs and in particular employment that is sustainable. The current ESF OP has played an important role in exploring and developing new initiatives, initiatives that have sought to address skills mismatches and vacancy gaps. A challenge facing the emerging structures of Intreo and the local Education and Training Boards is the appropriate provision of adult guidance to ensure that the unemployed person is facilitated to make the right choice and through improved matching ensure the most efficient and effective use of resources. Given the goals within the ESF, good quality adult guidance clearly has a role to play in meeting key programme objectives: building unemployed people's faith in the system to deliver good outcomes for them; and ensuring employers view with confidence the public employment services ability to meet their employment needs. In particular to encourage employers to view the Live Register as a potential human resource pool: an objective integral to the roll-out of *Pathways to Work*.

## **3) Promoting social inclusion and combating poverty**

- Active inclusion is integral to people's health and well-being however engagement must be by choice with good programme design and delivery and good engagement mechanisms facilitating constructive participation. The reality of discrimination impacts

on many people's ability to participate and not only impacts on subsequent outcomes but people's faith in such engagement.

- For many unemployed people and others distant from the labour market, including Travellers and Roma, community led local development and social enterprise initiatives have an important role to play in addressing socio-economic exclusion. A challenge facing Ireland and Europe, is how to build on such initiatives to create longer-term sustainable and inclusive outcomes. For some people engagement in such initiatives is an end in itself and facilitates the undertaking of important local work; for others it is an important, and often only access, point to the labour market. For the first group the challenge is developing and sustaining such work; while for the latter is the recognition of such engagement as a stepping stone into the wider labour market.
- Given *Europe 2020's* poverty goals and the objectives of the ESF itself innovative initiatives under this heading would be an important development within the next OP. In particular the exploration and creation of strong mainstreaming mechanisms that acknowledge work in this area and its contribution to appropriate development of a smart, inclusive and sustainable system.

#### **4) *Enhancing institutional capacity and efficient public administration***

- To maximise the reforms underway within social and employment services (Intreo), within education and training provision (LETB; SOLAS) demands the on-going professional development of frontline staff, policy makers and programme implementers. At present many of these changes are focusing only on those on the Live Register yet over the lifetime of this OP the focus will broaden to include all those of working age regardless of the payment they may or may not be on. Without a focus on equality and non-discrimination these services will struggle to provide appropriate solutions as a diversity of need requires not only a diversity of measures but a systematic ability to engage in the most constructive manner with the individual, group or community seeking support. Interesting work has taken place under the current OP that should be further explored and developed while the appropriate incorporation of the Horizontal Principles into the new programme could act as a tool to enhance the mainstreaming mechanisms.



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