



**Best Practice in the Delivery of Employment Services
30th November 2017**

Workshop
‘Why Training and Education is essential’



The combination of education, training and experience obtained throughout working lives.

A broader concept that just 'feeding' the needs of the economy - learning is a goal in its own right, providing individuals with the ability to participate as fully as possible in adult life - including work.

A key factor that determines an individual's labour market chances.

The higher the level of education the higher your chance of being employed.



- In most countries, less than half of people with low skills are in work.
- Those who fail to keep up to date with new skills fall behind in their career progression and earnings, but their employability may not be significantly reduced because they still have a job.
- In contrast, those who lose their job with a resultant reduction in their employability also need to acquire skills that will get them back into work.
- Low-skilled jobs will continue to exist, but they will require better literacy, numeracy and other basic skills.

Longer Term Forces at Play



Unemployment is not just about the effects of the recent recession.

Jobs and careers (and therefore skill sets) have been changing rapidly for the past 20 years.



Globalisation (big impact) and technological change (even bigger impact) – are destroying some jobs and creating others.

Technology is advancing so fast that many firms and education and training systems are finding it hard to keep up.



Longer Term Forces at Play ...contd

Educational attainment is increasing over time.



Populations will age in most countries.



Employment levels are reverting to pre-crisis levels.

- ❖ *The twentieth quarter in succession where unemployment has declined on an annual basis.*
- ❖ *Q2 2017 total number of persons unemployed = 141,500.*
- ❖ *Seasonally adjusted unemployment rate = 6.0% (10.0% in Oct 2014)*
- ❖ *youth unemployment rate = 14.0%*



Precarious work more common (*self-employed, fixed term contracts or part-time irregular hours, non-standard, flexible working conditions*).



Rise of 'Gig' economy.

More involuntary part-time and temporary work for elementary workers.

NERI 2017: A time-series analysis of precarious work in the elementary professions in the Republic of Ireland.

OECD, Looking to 2060: Long-term global growth prospects; A GOING FOR GROWTH REPORT.

CSO statistical release, 01 November 2017, Monthly Unemployment, October 2017.

CSO statistical release, 22 September 2017, Quarterly National Household Survey, Quarter 2017.

TASC 2017: The nature and extent of precarious work in Ireland, March 2017, Think-Tank for Action on Social Change and Foundation S. Pembroke, J. Wickham, A Bobek.

Another trend - Automation



The risk of job loss because of automation is less substantial than sometimes claimed but many jobs will see radical change (skills obsolescence).

While 40% of workers with a lower secondary qualification are in jobs with a high risk of job automation, less than 5% of workers with a tertiary degree are.

Less than one in ten jobs in Ireland are at >70% risk of becoming fully automated.

Just over one in five jobs in Ireland are between 50-70% risk of becoming partly automated /significant change in tasks.

Skills - what's happening in Europe?



Employment rates for individuals without an upper-secondary qualification are extremely poor on the whole.

People with skills at upper-secondary and post-secondary, non-tertiary education level have significantly higher employment rates than those with low skills.

On average, the gap in employment rates between those with skills at or below lower secondary (ISCED levels 0–2) and skills at upper-secondary and post-secondary, non-tertiary education level (levels 3–4) is 25.6 percentage points.

Skills- what's happening in US



Employment has been rising faster in occupations requiring more initial preparation (above average level of preparation including education, experience and job training).

Employment and wages have increased most in occupations that require higher social or analytical skills i.e. jobs requiring average or above-average levels of social skills, such as interpersonal, communications skills, (increased 83% from 1980 to 2015).





7% target for share of persons with NFQ Level 3 as the highest level of education attained (currently 15.4%)

93% of people aged 20-24 achieved an award at Levels 4-5 or more on the National Framework of Qualifications in 2014. This was an increase of 7% on the baseline year of 2005 and just 1% short of the target for 2020.

The progression rate to higher education increased by 14 percentage points, from 55% to 69%.

Full-time enrolment in higher education has grown by 30% over the past 9 years demand for places is expected to increase by 30% over the next 15 years.

Retention of students to Leaving Certificate is at 90.6%, ahead of the 90% target set for 2020.

Percentage of Adults scoring at Level 1 literacy or below = 17.5% (Target 12%).

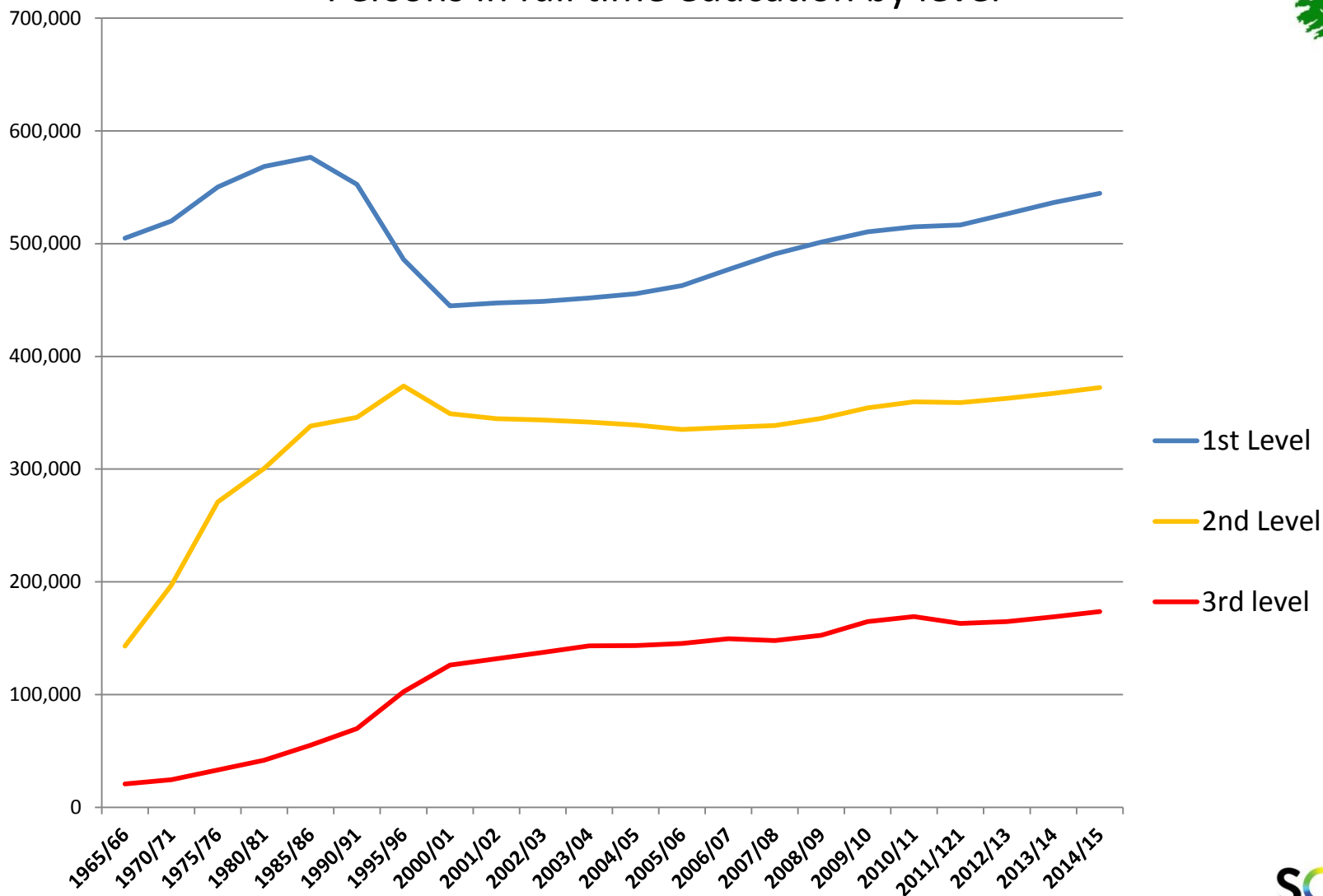
50,000 apprenticeship and traineeship places up to 2020.

15% of 25-64 year-olds participating in lifelong learning by 2020.

Skills- what's happening in Ireland



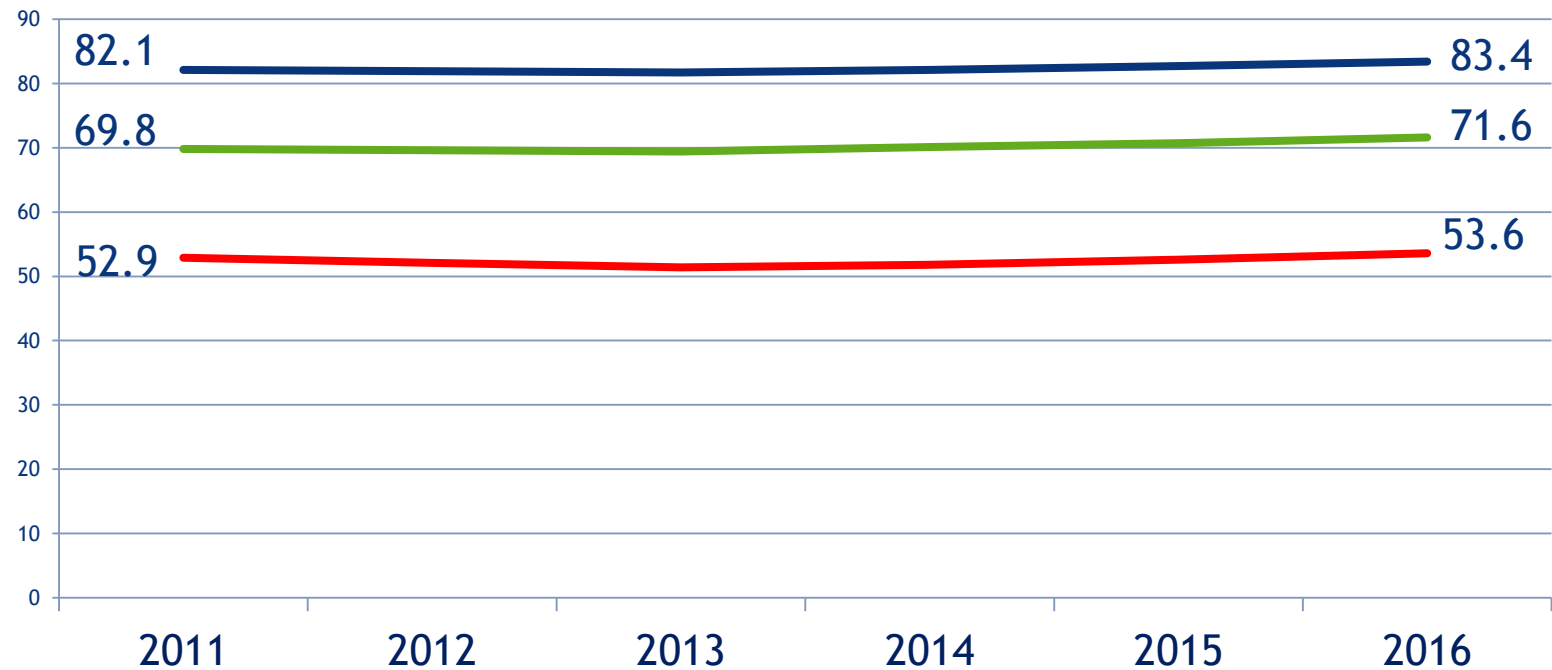
Persons in full time education by level



What's happening in Ireland



Employment Rates (20-64 years)

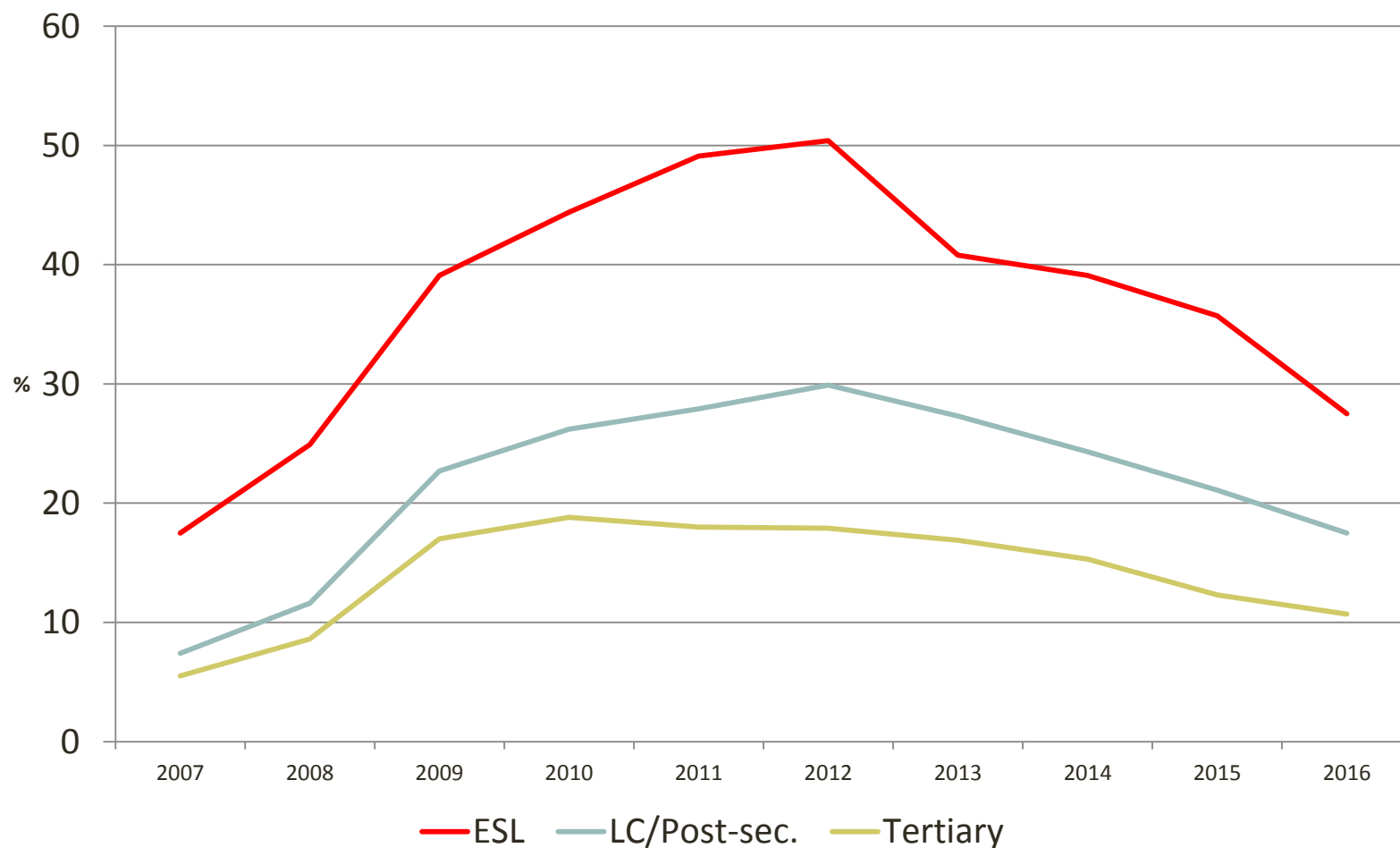


— Lwr sec or less (NFQ 1-3) — Upper/post sec (NFQ 4-6) — Third level (NFQ 6-10)

Young people



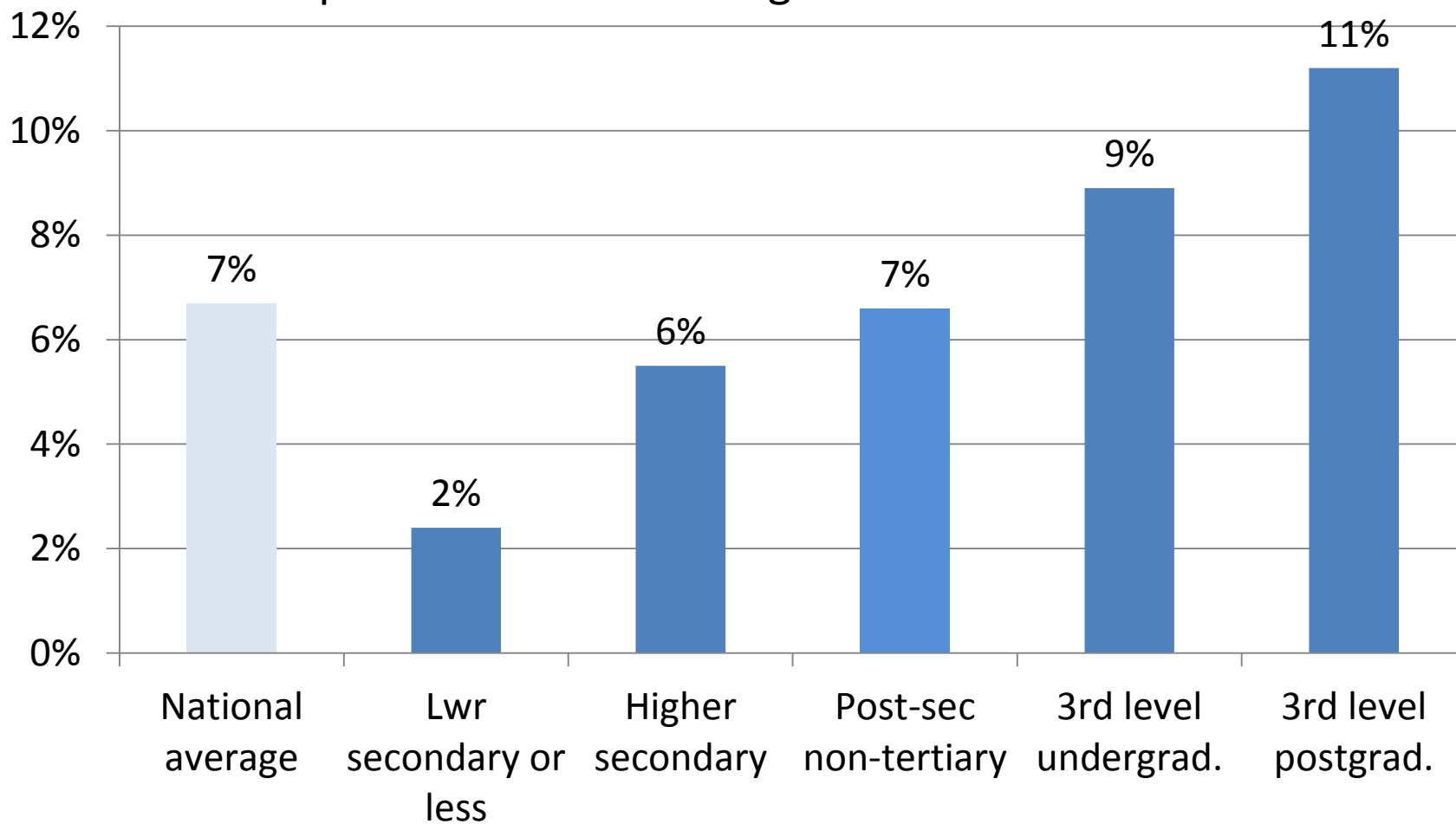
Unemployment rates among early school leavers (15-24 year olds)



Life long Learning



Participation increases with greater education attainment



What impact does a person's level of education have on employment activity and has this changed over time?



- **Population change:**

- The numbers in the population (aged 20-64) with post-secondary/third level education grew between quarter 1 2012 and quarter 1 2017, most significantly for those with third level qualifications at NFQ 6/7 (e.g. higher certificate/diploma/ordinary degree) and NFQ 9/10 (e.g. masters, PhDs) levels, each of which grew by over 50,000.



- **Employment change:**

- For both time periods,
the higher the level of education, the higher the share in employment.
- The share in employment grew over the period examined for all levels of education but was most pronounced for those with post-secondary education, rising by almost eleven percentage points to 74.1% in quarter 1 2017.

‘Elementary occupations’



Lowest skill level of all the occupational groups and are therefore among the least well-paid jobs in an economy.

Particularly at risk of poverty and deprivation, more likely to be in receipt of supplementary social supports and often fall into the category of the ‘working-poor’.

Approx. 170,000 to 200,000+ workers in the Republic of Ireland or around 10% of the workforce.

Jobs in this category involve routine tasks for the most part, which might require physical effort and/or the use of hand tools such as cleaners, caretakers, messengers, porters, doorkeepers, garbage collectors, sweepers, farm-hands, building construction labourers, manufacturing labourers, transport labourers and freight handlers.

Many of these occupations are also in sectors identified as having particularly prevalent precarious work such as hotel & catering, construction, health & care, agriculture, cleaning, retail, security and food.



Unemployment and Skill Obsolescence

Unemployed persons and lower-skilled workers, older workers and those without opportunity to develop their skills throughout their careers are most at risk of skill obsolescence

The threat of skills obsolescence is greatest for lower-skilled workers, particularly those in precarious jobs.

Some 33% of the lower-skilled workers experience a lack of skill development in their present career, compared to around 19% of highly-educated people.

Lower-skilled workers have suffered most from job losses in the current economic downturn.

They are not only the most likely to lose a job, but also the least likely to find a new one. Their poor employment prospects are a contributory factor to the stubborn level of long-term unemployment by eroding their skills still further.

Press Statement Quarterly National Household Survey Quarter 2 2017

<http://www.cso.ie/en/csolatestnews/pressreleases/2017pressreleases/pressstatementquarterlynationalhouseholdsurveyquarter22017>

Princeton University: The Scourge of Long-Term Unemployment, Alan B. Krueger

Bocconi-Boroli Lecture, May 29, 2014 <https://www.unibocconi.it/wps/wcm/connect/a6b52a35-b798-40de-a819-bd2d7ffb531/alan+krueger+boroli+lecture.pdf?MOD=AJPERES>

Social policy in the European Union: state of play 2016- Chapter 4 'Tackling long-term unemployment in Europe through a Council Recommendation?' Denis Bouget and Bart Vanhercke.

Key Takeaways



For all the reasons we have discussed up to now, education /training and reskilling will matter more throughout people's working lives.

Education and training obtained before one's working life will have to be regularly 'topped-up' to maintain and update the skills to keep pace with changes in the economy and jobs.

Transitions will be more frequent and complex - particularly with regards to family and care responsibilities on the one hand, and employment and education/training on the other.

Education and training is therefore a lifelong process.

Training programmes are successful when developed with employers to ensure the development of needed skills.

This need for lifelong skills development calls for more on-the-job training and more accessible pathways back into the education system.



More Key Takeaways

- Higher levels of skills give individuals access to better jobs.
- Better jobs that can give higher sense of achievement or fulfilment.
- Potential for higher level of earnings.
- Higher levels of skills, appear to be associated with higher levels of life satisfaction and better mental health
- Better manage/take advantage of the 'disruptive' patterns/trends above.
- **In the context of the recent economic crisis, activation strategies involving education and training to counter skills obsolescence due to prolonged unemployment play a particularly crucial role in maintaining the skills of the labour force.**
- Different groups will require different skills strategies.
- Programmes are more successful where financial incentives are tied to placement outcomes rather than enrolments.

[Hammond, C., 2004 ; Impacts of lifelong learning upon emotional resilience, psychological and mental health: fieldwork Evidence Oxford Review of Education](#) Vol. 30 , Iss. 4, 2004

OECD SOCIAL, EMPLOYMENT AND MIGRATION WORKING PAPERS No. 120; RIGHT FOR THE JOB: OVER-QUALIFIED OR UNDER-SKILLED?
Skills Obsolescence: Causes and Cures; Research Centre for Education and the Labour Market
Faculty of Economics and Business Administration Maastricht University.



THANK
You!