

A STRATEGIC REVIEW OF FURTHER EDUCATION AND TRAINING AND THE UNEMPLOYED

A review undertaken for the Department of Education and Skills

by

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Abbreviations

AEGS

Adult Education Guidance Service

BTEA

Back to Education Allowance

BTEI

Back to Education Initiative

CE

Community Employment

CEDEFOP

European Centre for the Development of Vocational Training

CTCs

Community Training Centres

DEIS

Delivering Equality of Opportunity in Schools

DES

Department of Education and Skills

DJEI

Department of Jobs, Enterprise & Innovation

DSP

Department of Social Protection

EGFSN

Expert Group on Future Skills Needs

ESOL

English for Speakers of Other Languages

ETBs

Educational and Training Boards

FE

Further Education

FET

Further Education and Training

FETAC

Further Education and Training Awards Council

FIT

Fastrack to Information Technology

HETAC

Higher Education and Training Awards Council

IBEC

Irish Business and Employers Confederation

ILO

International Labour Organisation

ISCED

International Standard Classification of Education

ITABE

Intensive Tuition in Adult Basic Education

JA

Jobseeker's Allowance

JB

Jobseeker's Benefit

JSSB

Jobseeker's Support Programme

LEOs

Local Enterprise Offices

LFS

Labour Force Survey

LLL

Lifelong Learning

LR

Live Register

LTIs

Local Training Initiatives

LTU

Long-Term Unemployed

NALA

National Adult Literacy Agency

NFQ

National Framework of Qualifications

OECD

Organisation for Economic Co-operation and Development

PEX

Probability of Exit

PIAAC

Programme for the International Assessment of Adult Competencies

PLC

Post Leaving Certificate

PPSN

Personal Public Service Number

QNHS

Quarterly National Household Survey

QQI

Quality & Qualifications Ireland

RPL

Recognition of Prior Learning

SLMRU

Skills and Labour Market Research Unit

SST

Specific Skills Training

STEM

Science, Technology,
Engineering, and
Mathematics

STPs

Specialist Training Providers

SUSI

Student Universal Support
Ireland

TNP

Training Networks
Programme (Skillnets)

VEC

Vocational Education
Committees

VET

Vocational Education and
Training

VTOS

Vocational Training
Opportunities Scheme

Executive Summary

Introduction

This review assesses the existing further education and training (FET) provision and how it needs to evolve to simultaneously supply the skills needs of the economy and meet the huge unemployment challenge. It is vital that FET provision, which receives substantial financial allocations, is aligned with government prioritisation of the long-term unemployed (LTU). State spending on labour market programmes has more than doubled but it has been principally absorbed by income support. What is available must be redeployed to maximum effect. New institutions, which are assuming responsibility for all publicly-funded FET in Ireland, provide an opportunity to shape a more coherent and effective system of provision. SOLAS, the Further Education and Training Authority, will provide strategic funding and direction to the sector, with programmes delivered locally through the 16 regional Educational and Training Boards (ETBs). Within the next six months, SOLAS will draft a five-year FET strategy and 2014 FET Services Plan. This particular review of FET is focussed on the unemployed and anticipates, and is an input to, those broader and more authoritative documents on which it will rely for its findings and recommendations to be developed and operationalised.

The principles that should guide FET strategy over the short to medium term are set out in this document: flexibility and responsiveness in delivery; robust evaluation of outcomes based on on-going collection and assessment of data; developing and adapting courses that meet the skills needs of local and regional employers; allocation of resources to the most effective elements of FET in helping the unemployed, meeting skills needs and continuing to provide a pathway to work for school-leavers.

Context

Unemployment during the recession has impacted on different groups in different ways. The 25-44 age cohort are the hardest hit in absolute terms. Particular issues exist regarding youth unemployment – especially around early school leavers—and the incidence of unemployment varies significantly with such characteristics as educational attainment, gender, nationality and place. Duration is the most significant cross cutting problem with 60 per cent of the live register unemployed for over a year (classified as long term) and nearly a quarter on the Live Register (LR) for over three years. It is a key priority of Government to address the stock of LTU and the Pathways to Work Programme assigns a very significant role to the FET sector in enabling the LTU to take up employment as the economy recovers. Ambitious targets for FET provision have been set for 2013. The FET sector will have a crucial role in ramping up the Government effort to reduce LTU in the coming years. At the same time the FET sector, without prejudice to the compelling need to address the challenge of long term unemployment, will continue to address the skills needs of those in employment and of school leavers developing as a sector that is attractive to employers and young people.

Findings

The existing FET provision, while in the process of reforming, will need to be increasingly targeted towards the LTU. Government has specified 2013 targets for referrals, activation measures, and education and training placements for the LTU as part of its wider labour activation strategy. SOLAS needs to explicitly prioritise the achievement of current and future targets for participation by the LTU in further education and training within its strategy as part of the Government's commitment to reduce the duration and proportion of individuals in unemployment. For as long as budget allocations to ETBs are tightly constrained, trade-offs inherent in the prioritisation of the Live Register LTU will need to be faced. SOLAS needs to make clear to ETBs, and ETBs to providers, including through incentives, that combating LTU is a government priority, including for achieving social inclusion.

Not all vocational education and training (VET) provision is optimally aligned with employer needs, nor is all further education (FE) provision that addresses social exclusion sufficiently linked with eventual employment outcomes. There is scope for greater linkages between employers and providers. For example, despite the exporting sectors demand for intermediate and foundation level skills there is insufficient recognition of the potential of FET to meet this demand. Similarly, within the large domestic sector, employers' awareness of their skills needs and of the opportunities offered by FET are poor. In addition, small local employers are often not incorporated in national or sectoral skills frameworks. Therefore, future skills assessments should rigorously explore the demand for intermediate and foundation skills both in exporting and domestic sectors. This should be followed by more systematic and effective engagement with employers at regional and local level to ensure that their needs are met. As activation strategies prompt more actors in the public system to seek stronger engagement with employers, it is important to ensure that that engagement is as streamlined and effective as possible. The ETBs should move rapidly and put in place an appropriate advisory infrastructure for identifying the FET needs of employers in their catchment areas. Small domestic, non-exporting employers should also be encouraged to develop higher skills and engage with local FET providers. In general, more employers need to take responsibility for training needs and, in co-operation with providers, to become more involved in both syllabus development and job placements.

There is a need to ensure that the unemployed are matched appropriately with FET. There is a sizeable cohort of very low-skilled unemployed, distant from the labour market, who will need specialised interventions within FET provision. Furthermore, the low skilled can become trapped in insecure employment, punctuated by spells of unemployment, in the absence of upskilling opportunities provided through appropriate FET. Related to this is the issue of the heterogeneity of the LTU which shapes their interaction with both FET and the labour market. Previous negative experiences of FET, lack of awareness of the opportunities and benefits of FET, lack of familiar role models may all act to dissuade individuals from engaging in FET. Provision of FET should include programmes tailored to meet the varied needs and aptitudes of the LTU. In this respect, close and formal collaboration between Intreo and SOLAS in ensuring complementarity of activation efforts, particularly in guiding the unemployed to effective FET programmes, will be essential. Both Intreo and SOLAS (and the ETBs under SOLAS) will need to co-operate on a continual basis on the delivery and development of courses that help activate the unemployed (particularly those out of work for a long time). Clear protocols need to be established between local Intreo offices and the ETBs

governing the referral of individuals from the Live Register (LR) to education and training. More intensive engagement and assistance, before during and after the course, may be required in specific cases to ensure completion and progression to either employment or more specialised FET. Given the need for proper guidance and support highlighted in the review, there is a reason to believe that some additional investment in these areas could be cost effective in delivering greater returns on the programme investment in FET and activation.

The quality of data collection is inconsistent in the FET system. In particular data collection in the former Vocational Education Committee (VEC) area is very weak. Currently the effective evaluation of many FET programmes is undermined by poor input, output and outcome reporting at the level of individual learners. Labour market intelligence needs to be improved as does the monitoring of outputs and outcomes of FET programmes. SOLAS and the ETBs in collaboration with DSP and Revenue should therefore develop robust data collection systems in order to construct learner and local labour market profiles, facilitate the tracking of employment, earnings and onward progression through FET and other performance information on FET programmes.

Evaluation should be built into the SOLAS funding model. Continuous evaluation needs to be extended to all FET programmes by SOLAS so it can fulfil its strategic funding role. Not all of FET programmes are well set up for evaluation now (although some programmes, such as Momentum, are clearly moving in the right direction). The challenge is to extend this into the totality of the FET sector. Importantly, programmes that are found to be ineffective at delivering the required outcomes should be withdrawn and the freed up resources redeployed to those that are performing well. A key element of evaluation should also be the monitoring of post-FET outcomes, with attention to the sustainability and quality of employment and not just short periods of employment, the relevance of the programme to securing that employment, as well as to progression in education/training that strengthens lifetime employability and earnings. Evaluation must be at the heart of SOLAS-Intreo co-operation and engagement.

The reorganisation of FET within SOLAS has brought together different models of delivery of FET. SOLAS should take the opportunity to apply best practice in FET delivery, in particular adapting and applying the flexible model and newer methods of subcontracting developed recently by FÁS: ETBs should move away from the traditional academic year approach to the more flexible programme structure of FÁS, thereby improving the responsiveness to the real economy; shorter duration intensive courses should continue to be available on the basis of their employment impact; and work placements should be expanded. In addition, SOLAS should draw upon the experiences of Skillnets, Momentum, Springboard and the ICT Skills Conversion Programme and ensure the potential of competitive, focused and time specific, private/non-public provision is maximised, especially in respect of improving employer engagement. The further education system operated by the ETBs has grown, initially somewhat organically, out of the post-primary sector. This means that many of the characteristics of the school sector in terms of the organisation of delivery, employment relationships and alignment with the academic year are also features of further education provision. It is acknowledged that this presents challenges in terms of delivering more flexible training options.

To summarise, this review envisages an FET Sector that is capable of simultaneously meeting the skills needs of the economy and those of the unemployed, particularly the LTU. This should be achieved through implementation of the following principles:

1. Prioritisation of the LTU, in accordance with Government policy, with due regard to the needs of school leavers and those in employment;
2. Alignment of FET with local and regional skills demand and labour market intelligence;
3. Close involvement of enterprise in the design and delivery of programmes;
4. Seamless linkages between Intreo offices and their local ETBs;
5. High level strategic co-operation between SOLAS and Intreo about the design of relevant FET provision and referral arrangements;
6. Movement towards flexible provision with shorter duration, dualist delivery models incorporating extended work placements and on the job training;
7. Comprehensive data collection and evaluation of all courses against appropriate metrics of progression or employment;
8. Utilisation of competitive tendering and payment on results where appropriate, with ETBs becoming regional hubs for FET procurement;
9. Re-organisation of provision around effective programmes using the strategic funding responsibility of SOLAS.

1. Introduction and context

1.1. Terms of reference, methodology and structure

In preparation for the twelfth review of Ireland's Memorandum of Understanding with the EU, ECB and IMF, the Irish authorities were asked to carry out 'a strategic review of the training and education provision offered by Education and Training Boards (ETBs)' that would 'evaluate the FET provision in terms of its relevance for labour activation purposes, i.e. whether it is suited to the needs and abilities of the large pool of unemployed, in particular the long-term unemployed, and to the prospective skills needs of the economy'. The review would 'provide ...an assessment of the existing provision as well as recommendations to enhance [its] relevance for activation purposes.'

The Department of Education and Skills (DES) took responsibility for the review and chaired a Steering Group on which the Department of Public Expenditure and Reform and Department of Social Protection were represented along with Forfás and the interim group charged with the establishment of SOLAS. It adopted the following terms of reference:

- To situate the role of FET in helping to reduce unemployment and activate the long-term unemployed in the context of workforce development and wider social and educational objectives;
- To examine existing FET provision for its current priorities and effectiveness in bringing unemployed people to acquire the skills and competences they need for new employments;
- To assess the un-met need and demand for FET from the unemployed and the on-going skills requirements of employers, particularly those relevant to national framework of qualifications (NFQ) Levels 1-6 and equivalent industry certification;
- Address the implications and requirements of a greater targeting of public funding for FET on the long-term unemployed;
- Identify strategic requirements in core functional areas where progress is essential;
- Agree a set of priority recommendations for the Department on which action should begin immediately.

The preparation and writing of the review was carried out over a three-month period by a senior policy analyst in the National Economic and Social Council. He was assisted by officials and analysts in the Further Education section of the DES, FÁS and Quality and Qualifications Ireland (QQI), received help from a wide range of sources in identifying Irish and international best practice in up-skilling and re-skilling the unemployed, and carried out consultations and focus groups with, respectively, employers whose recruitment is extensively of non-third level graduates and providers with extensive experience of training the unemployed. The review anticipates the forthcoming strategic and implementation plans for SOLAS and the FET sector that will appear in 2014 and for

which preparation has begun.¹ It can be regarded, therefore, as, in part, an input to those broader and more authoritative strategies that is underlining some of the key requirements and implications of a greater targeting of FET provision on the unemployed and long-term unemployed (LTU) in particular. To ensure maximum continuity with the development of the strategic plan for the FET sector by SOLAS and adequate attention to the achievements, constraints and requirements of current public provision, NESC formed an Expert Group of managers in public bodies that met several times to share their experience of current programmes and discuss the emerging findings of this review.²

The report has the following structure. The second part of this Chapter 1 underlines some particularly important contextual factors that arose in consultations as, in part, framing and, in part, constraining the expectations that should be held of SOLAS and the ETBs in their service of the LTU. These are distinguished, respectively, as those in place prior to the recession and those arising from the recession.

Chapter 2 first provides an overview of current FET programmes in their diversity and then scrutinises them from the particular perspective of their actual and potential usefulness to unemployed jobseekers and the LTU in particular. It identifies a set of programmes as having particular potential and accords them greater attention.

Chapter 3 summarises existing research into the skills needs of enterprises in Ireland that are relevant to FET provision and presents the principal findings from consultations with employers and employer representative bodies concerning their expectations and needs of the FET system and the weaknesses which they see as the more urgent to address.

Chapter 4 identifies some particularly challenging features of the current unemployment challenge where FET is concerned and presents the principal findings from consultations with unemployed people and those who work with them on their experiences of current FET provision and what they see as required if they are to benefit more fully.

Chapter 5 formulates the main conclusions and makes recommendations.

1.2. Long-term issues in policy focus before the recession

Across Europe, further education and training systems have dual social and economic objectives. On the social front, they address social inclusion needs, strengthen the foundations for active citizenship and contribute to social cohesion. In support of national economies, they enable people in the workforce or seeking entry to it to acquire and maintain the knowledge, skills and

¹ In the case of the five-year strategic plan for the FET sector, an Advisory Group, consisting of relevant government departments, public bodies, employers, trade unions and other organisations with a stake in FET, will hold its inaugural meeting on 18th October.

² The generous participation and rich discussions of this group were deeply valued by the author, who never the less remains responsible for this review.

competences to remain employable and in employment throughout their working lives. In Ireland, as in other countries, how FET balances addressing the social and economic objectives set for it is shaped by the unique legacy and institutional aspects of the country's social and economic development.

The social inclusion agenda

The low educational attainment by European standards of older cohorts in Ireland's workforce: in 2011, for example, only 50 per cent of 55-64 years old males in Ireland had attained at least an upper secondary education (a rate similar to Greece) and the gap between this cohort and 25-34 year olds was one of the widest in the OECD. The Census of 2011 found that 21 per cent of the working age population had not completed secondary education and that the majority of them were in the workforce. The Programme for International Assessment of Adult Competencies (PIAAC) survey of the skills of adults in Ireland found that 18 per cent of 16-65 years olds in 2011/12 were at or below Level 1 of the literacy scale, of whom over 225,000 were in employment (full-time and part-time) and 95,000 unemployed. This was a welcome reduction of four percentage points on the 22 per cent found at this level in 1994 but, along with the 26 per cent of adults scoring at or below Level 1 on the numeracy scale in 2011, the scale of the challenge to Ireland's ambitions to return to high levels of employment in an economy still more knowledge-intensive is clear. This backdrop helps explain the level of need for, and extent of commitment to, the provision of 'second chance' education, informal community education and adult literacy in Ireland. This type of provision has become an integral component of Irish policies for combating poverty and social exclusion.

Lifelong learning

The absence of a strong tradition of lifelong learning (LLL): in 2011, for example, less than 7 per cent of adults in Ireland participated in lifelong learning as against rates of above 15 per cent in best-practice EU countries. As in other countries, a 'Matthew effect' is apparent with the already better educated more likely to engage in LLL (having more familiarity with and confidence in learning) and the lower educated who need it most participating the least. Generally, a strong LLL tradition acts as an important supportive context for raising the participation of the unemployed in FET. The most recent review of Ireland's National Skills Strategy by the EGFSN notes that the percentage of those in the labour force with only a Junior Certificate or less (NFQ Levels 1-3) fell from 27 per cent in 2005 (the baseline year for the Strategy) to 18 per cent in 2012, but notes that some of this improvement was due to retirements and declining participation rates.³ A significant up-skilling challenge still remains if the 2020 target that only 7 per cent of the labour force will be at NFQ Levels 1-3 is to be reached.

The status of vocational education

The low status of vocational education in what is a 'third level' society: there has been a consistent and successful emphasis in Ireland on the importance, to individual employment careers and to the national economy, of a third level education. For example, in 2011, the proportion of 25-34 year olds

³ EGFSN Statement of Activity 2012 (April 2013)

in Ireland with a tertiary education was the EU's highest (matched only by the UK and Luxembourg). A corollary of this has been that the secondary education system focuses at an early age on preparing young people for entry to third level and is less successful in preparing people for alternative routes through FET to employment. Only one fifth of school completers advance directly to a form of vocational education or training that is outside the third level sector (19.8 per cent to do a Post leaving certificate (PLC) course and 1.4 per cent to do FAS training in 2010) (DES, 2013). A 2013 survey revealed the continuing low status of vocational education in Ireland with, for example, large numbers of 15-19 year olds believing vocational routes are 'less difficult than academic courses', 'for less able students', 'make it less likely [a] job will be highly paid' and 'is a low status option' (City and Guilds, 2013).

Vocational education and vocational training

There are traditionally strong differences within the vocational education and training sector in how the two main providers of (VECs and FÁS) have operated to provide education and training respectively. For example, VECs are accustomed to the academic year and structure much of their provision by semesters or terms; they typically place the challenge of skills acquisition in the broader context of educational formation and rely largely on leadership at individual college and school level to develop links with employers. FÁS training, on the other hand, has year-round provision, supports skills acquisition in short modular form as well as through longer courses, and endeavours to respond to specific employers' and workers' demands. There have been elements of duplication and rivalry in how VECs and FÁS have developed their provision at local level as well as of complementarity and mutual respect.

Under the new ETBs that now have responsibility for both types of provision, the quest continues to improve the alignment of VECs' vocational education with employers' needs, on the one hand, and to strengthen the formative content of FÁS vocational training, on the other. The ETBs are, in part, an institutional answer to the question as to how the strengths of each approach can help remedy what has been weak in the other. The differences between the two main providers can be exaggerated but they are also tenacious. VECs have traditionally struggled to overcome a perception that their provision is for weak students seeking undemanding jobs, while FÁS has struggled to maintain employers' confidence in the depth and relevance of a considerable part of its provision. An integral part of the mission of SOLAS is to strengthen the confidence of employers and of young people and their parents in the quality of VET provided through the ETBs. It will also have to address wide differences across VECs themselves, in the programmes they have developed, the uses to which the same programme is put and their differential responsiveness to new national and local needs. The provision of FÁS training and VECs, therefore, is to be simplified by the ETBs so that a comprehensive, more effective but still diverse range of FET can be presented more clearly to learners and employers at the local level.

1.3. The impacts of the recession

Rising demand for FET

The recession with its destruction of jobs, large drop in employer recruitment and escalation in unemployment has sharply increased the numbers of people wanting an appropriate FET course to re-skill or up-skill as their best strategy for surviving the recession and participating in the incipient economic recovery. Not just larger numbers but a more diverse learner body has come to FET providers including, for example, a relatively well educated 'new' LTU and a low educated group who had had jobs during the boom simply because of its strength (joining the ranks of the 'traditional' LTU).

Employers and FET

The recession has thrown Ireland's dual economy and the degree of polarisation in its labour market into sharp relief. The resilience of its knowledge-intensive exporting sectors (services and manufacturing) is creating strong demand for a set of skills, particularly in IT occupations and for languages and levels of experience that are, effectively, beyond the reach of many of the unemployed to acquire. Employers in these sectors are simultaneously supporting new programmes that offer them the potential to source at least some of the skilled workers they need from among the unemployed and having recourse to extensive overseas recruitment.

There is growing competition for jobs in the domestic economy where recruitment continues at a significant level but almost entirely arising from job turnover and replacement jobs and with few vacancies remaining open for long or being filled by the LTU. In addition, the competition has occasioned changes in the terms and conditions of employment in some sectors (greater recourse to part-time and fixed term contracts, to casual or zero hours, etc.) but on a scale and of a nature that is under-examined and insufficiently understood.

There are more employers with less resources and incentive to engage in training than before as profits have shrunk and their business outlook remains uncertain. In an almost ironic fashion, more actors in the public system have become aware of their need for stronger engagement with employers (to consider candidates from the Live Register (LR) when recruiting, to provide work experience, to participate in the design of training, in its delivery, in the recruitment of course completers, etc.) at the time when more employers view the future as so uncertain that their return from such co-operation remains unclear. At the local level, the same set of high profile employers can find themselves being approached by multiple publicly-funded service providers on behalf of the same unemployed people.

Activation of the unemployed

The recession has prompted a major reappraisal of the pace at which Ireland's social welfare system was moving from a passive, transactions-based approach focussed on the efficient administration of social welfare payments to a more active approach focussed on ensuring recipients use welfare receipt as an opportunity, and see it as an obligation, to take steps to become self-reliant. Under the Pathways to Work Programme, the Department of Social Protection (DSP) and its new service, Intreo, has become a very significant demander of FET on behalf of those in receipt of Jobseekers'

Allowance and Jobseeker's Benefit. It has brought into sharp relief the limited extent to which unemployed people on the LR, in particular the LTU, typically participate on many FET programmes and the lack of adequate arrangements to ensure they do and benefit to the full. (It is fair to observe that few submissions during the consultation process on SOLAS argued the case for according greater priority to the unemployed. They largely reflected the concerns of providers and the current profile of learners. In part, this review constitutes an acknowledgement and partial redress of this imbalance.) Much stronger collaboration between DSP/Intreo and the FET system is underway and being required by Government. Providing access for the unemployed to quality FET helps to ensure that engagement with them is meaningful and results in a sustainable independence of welfare receipts.

Scarce resources

Budgets for FET have been unable to match the growth in demand and growth in enrolments. State spending on labour market programmes has more than doubled but it has been principally absorbed by passive measures which absorbed 2.99 per cent of GDP in 2010 as against 0.91 per cent in 2007 (OECD, 2013).⁴ Expenditure on training grew from 0.26 per cent to 0.46 per cent of GDP over the same period but the increased 'effort' (out of a GDP that was 8 per cent smaller) did not keep pace with the rise in numbers becoming unemployed. As noted by the IMF, spending on training and job creation programmes between 2007 and 2010 per unemployed person effectively halved.⁵ The incentives and supports provided by the state to FET learners and trainees have been pared back (most notably by restricting eligibility for FÁS training allowances to those with an underlying welfare entitlement and ending simultaneous receipt of FÁS and DSP payments).

⁴ OECD (2013), *2013 Economic Review-Ireland* (Table 3).

⁵ IMF Country Report No. 12/265: 61.

2. Overview of current provision

This chapter takes four bites at a review of existing further education and training (FET) provision (a full review would have needed more time). A first section briefly outlines the principal publicly funded FET programmes in Ireland at the current time. A second section adopts a methodology for examining each programme’s current and potential contribution to re-/up-skilling the claimant unemployed for sustainable employment and applies it to one-half of the programmes outlined in 2.1. The remainder are examined more cursorily in an Appendix to this chapter. Section 2.3 identifies the principal data weaknesses that have attended this exercise. Section 2.4 examines the flexibility and responsiveness of current provision, what underlies it and the prospects held out for improving it.

2.1. Existing programmes

Following the practice of the main providers, Vocational Educational Committees (VECs) and FÁS Training, the principal FET programmes at the present time are typically classified in the following way:

Figure 2.1: Current classification of publicly funded FET.

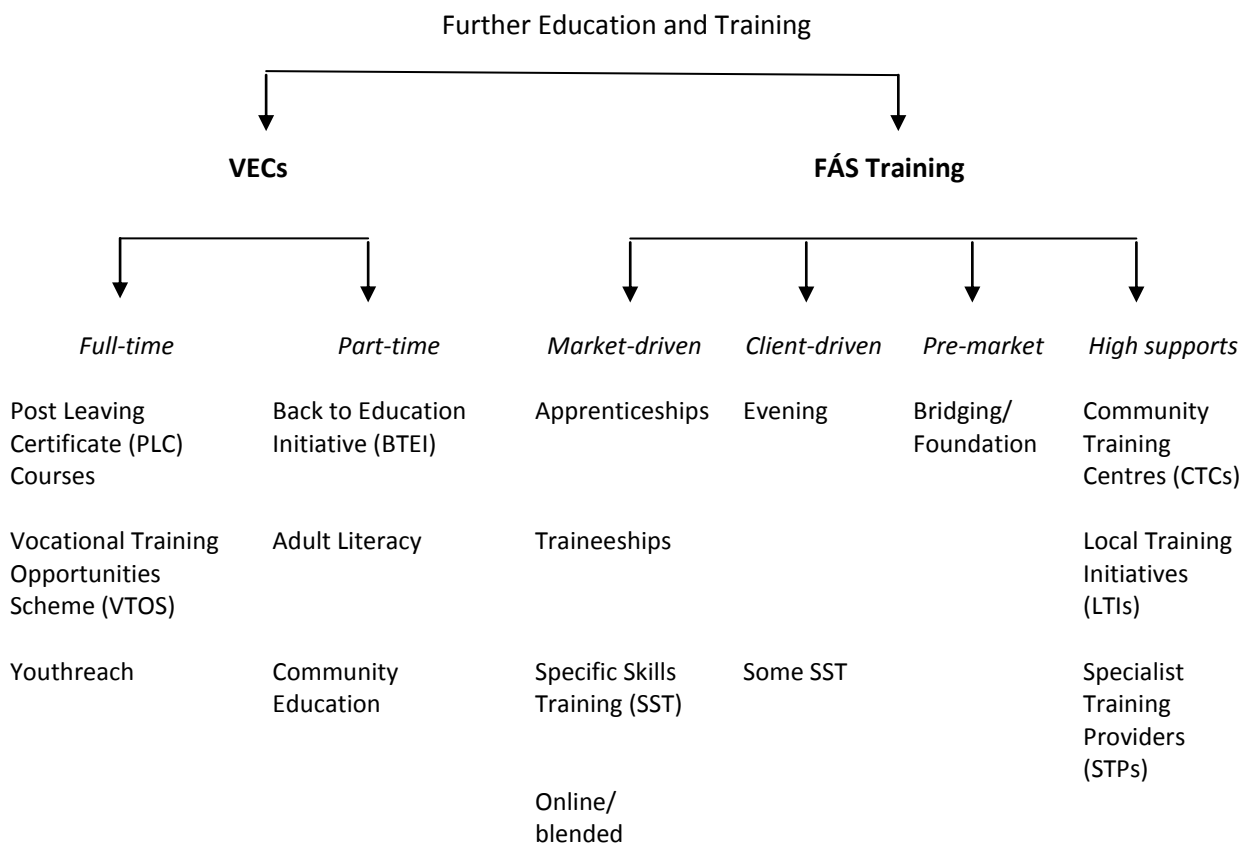


Table 2.1: Summary Overview of FET Programmes.¹

Programme	Target groups	Objective(s)	Participants	State Spending Total €m ² (€ per capita)	
				Gross	Net
VEC full-time (academic year)					
Post Leaving Certificate (PLC) Courses	Students completing secondary education and adult returners (including the unemployed)	General education, vocational training and work experience leading to stable, full-time employment. Major awards (Levels 5-6)	35,609 ³	170.0	170.0 (4,775)
Vocational Training Opportunities Scheme (VTOS)	The adult unemployed (over 21), particularly the low skilled, long-term unemployed and disadvantaged	Full-time education/training leading to major awards and then employment or progression (Levels 3-5)	5,637	80.0	34.3 (6,084)
Youthreach	Early school leavers until age 20	Opportunity outside of main school system to acquire major awards leading to further study/training or employment (Levels 3-4)	3,700	70.0	50.7 (13,703)
VEC part-time					
Back to Education Initiative (BTEI)	Individuals (16 years plus) and groups at risk of social exclusion) for whom a full-time engagement in formal learning is a particular barrier	Return part-time to FET to gain minor awards in areas of core skills and key competencies that aid progression or employment (Levels 3-5)	32,066 ³	23.0	22.8 (711)
Adult Literacy ...variants	People inside and outside the labour force with literacy/ numeracy difficulties	Achieve literacy/numeracy and progress to wider, deeper learning. When accredited, Levels 1-3	55,000	30.0	30.0 (546)
<i>ESOL</i>	People, including those in work and those unemployed, lacking functional competence in English language	English language competence sufficient for living and working in Ireland	11, 240		
<i>ITABE</i>	Same as for adult literacy	Intensive tuition in adult basic education			
<i>Skills for Work</i>	People at work with literacy/ numeracy difficulties	Literacy/numeracy in the context of sector specific basic training for where people work	3,230	2.8	2.8 (867)
Community Education	Individuals and groups at risk of social exclusion seeking community involvement and/or certified learning	Build confidence and impart core skills in informal and non-formal learning environments (Levels 1- 3)	56,000	10.0	10.0 (179)

Notes:

1. Data for VEC programmes from *Further Education General Briefing – April 2013* (DES) or *Action Plan for the Establishment of SOLAS* (DES, July 2012), whichever is more recent; data for FÁS programmes from *Service Plan for FÁS Training Provision 2013*.
2. Net financial data supplied by Department of Education and Skills (DES) and FÁS respectively save for apprenticeships where data is for 2011 and taken from *Background paper, Apprenticeships Review*, DES, 2013: 22.
3. Updated number provided by DES.
4. In LTIs, unlike CTCs and STPs, sponsors are responsible for premises, management, supervision, etc. (in effect, the training infrastructure) – payment for their coordinators are also treated as allowances.

Table 2.1 cont./

Programme	Target groups	Objective(s)	Participants	State Spending Total €m ² (€ per capita)	
				Gross	Net
FÁS market-driven (training and certification for identified job opportunities)					
Apprenticeships	Aged 16 and over with completed Junior Certificate, and other career entrants, who find employment with a FÁS approved employer	Advanced (National Craft) Certificate, Level 6, leading to employment in 1 of 26 designated trades	9,000	87.8	51.4 (6,929)
Traineeships	Unemployed primarily	Occupational skills development combining formal FÁS training and workplace coaching with an employer. Certification, Level 5, dominant	5,000	34.4	12.1 (2,420)
Specific Skills Training	Unemployed primarily	Training and certification (Levels 4- 5 dominant, also 6) for identified job opportunities (Blended combines SST classroom and on-line learning)	16,300 (1,600)	66.1	25.6 (1,570)
Momentum	The long-term unemployed only	Incentivise providers (public, private, non-profit) to bring LTU to acquire in-demand skills. Certification Levels 5-6 (3-6 for under 25s)	6,500	20.0	20.0 (3,077)
FÁS online (e-College)	Unemployed primarily	On-line provision plus tutor support for the computer literate available anywhere, anytime	12,000	3.7	3.7 (308)
FÁS client-driven (training and certification not necessarily job-specific)					
FÁS Evening	Unemployed primarily	Short up-skilling modules leading to a range of awards from Levels 3-6	15,600	5.9	5.9 (378)
FÁS pre-market (basic training as foundation for market-driven training)					
Bridging/ Foundation	Unemployed primarily	To provide bridging or foundation-type training coupled with supports to facilitate access to SST or Traineeships	2,200	5.2	1.7 (773)

Table 2.1 cont./

Programme	Target groups	Objective(s)	Participants	State Spending Total €m ² (€ per capita)	
<i>FÁS high supports (basic training and supports as start of individualised pathways to work)</i>					
Community Training Centres	Early school leavers aged 16-21	Personal and social skills development leading to employment or progression to mainstream learning (individualised learning plans).	3,600	40.4	26.0 (7,222)
Local Training Initiatives	Unemployed aged 18-35 experiencing personal, social or geographic disadvantage	Personal and social skills development leading to employment or progression to mainstream learning (individualised learning plans)	4,600	31.5	4.2 (913)
Specialist Training Providers	Persons with disabilities seeking employment	Intensive, tailored training provision and supports	3,300	52.1	30.8 (9,333)

Table 2.1 follows this classification to summarily describe for whom each programme is primarily intended (its target groups), its objective at course completion for participants, the number of participants enrolled and the level of state spending involved.

As the budgets for some programmes include the cost of training allowances or income support in another form that is paid to participants but not on others, state spending gross and net of training/education allowances is presented and an estimated cost per participant net of income support included (in brackets). After this significant adjustment, the principal remaining cause of the wide variation in state spending per participant is the duration and intensity of the training or education involved. For example, participation may refer to less than a week of learning on one programme but to full-time, year-long engagement on another.⁶

The table depicts a set of sixteen programmes with sometimes very different and sometimes overlapping target groups and a diversity of objectives. Many of them, particularly among the VEC programmes, do not have unemployed people from the Live Register (LR) as a specific target group and, when individuals who are unemployed access them, they are likely to find themselves alongside large numbers of learners who are not specifically or primarily seeking employment through the courses they are following. In 2013, the State budgeted €733m in total for the sixteen programmes of which nearly one-third will be spent on training allowances or income support for the participants themselves. Consequently, approximately €502m is the aggregate transferred to providers for their course provision under these programmes during 2013. Even stripped of training allowances and

⁶ Another relatively minor factor compared to these first two is the extent to which a programme budget is covering the full cost of its overheads or whether it is benefitting partially or wholly from overheads paid for by another programme.

income support, a huge variation remains in state spending per participant reflecting the wide differences in the duration and intensity of training that programmes provide and the level of supports other than income support that can be entailed in their provision (e.g., ratio of participants to instructors/teachers, etc.). Youthreach and Specialist Training Providers entail very substantial spending per participant, followed by Community Training Centres (CTCs) and Apprenticeships, while, at the other extreme, per capita spending on part-time VEC programmes and FÁS on-line and evening courses are relatively light.

The head count of participants on VEC programmes at over 190,000 is swollen by the particularly large numbers enrolled on the Community Education and Adult Literacy programmes. Net of the latter, aggregate enrolments on VEC and FÁS programmes are similar (80,242 and 78,100 respectively) as are the aggregate state budgets they receive for their course provision (€354m and €347m respectively).

2.2. Existing programmes and the unemployed

This section revisits these sixteen programmes and their classification in Table 2.1, scrutinising them for their current and potential usefulness to those now unemployed and seeking jobs in the Irish economy. In viewing them through this prism, two important facts come into focus.

In the first place, unemployed people approach FET primarily on account of the type of job for which courses prepare them and the effectiveness of different courses in doing so. They are intent upon *vocational* rather than *further* education and training.⁷ This does not mean they are unappreciative of the wider benefits of learning but, in their instance, they anticipate those benefits (personal development, capacity for self-direction, cultural and social engagement, etc.) coming in a larger and more sustained fashion by acquiring satisfying employment. It follows that the courses most likely to deliver for them will be those informed by significant labour market intelligence and with content and delivery marked by significant employer input. In the second place, once courses can deliver for them, the unemployed are, only secondarily, if at all, interested in the identity of the provider.⁸ It follows that they implicitly challenge their Education and Training Boards (ETBs) to be as neutral and evidence-based as possible in deciding which courses and *whose* courses should receive more funding on their behalf. One of the primary intentions behind the sweeping institutional reform of the sector is that the ETBs will, in time, transform into hubs for FET procurement at the regional level where evidence on what demonstrably meets the needs of each type of FET learner (and not just the unemployed) in their catchment areas will influence the ETBs' allocation of public funding to a significant extent and one that is neutral with respect to the genre of provider (public, private, not-for-profit).

These considerations suggest an alternative classification of current programmes which keeps the identity of the programme provider (VECs or FÁS) in the background and groups them by the

⁷ This is not to deny that some chose FET primarily as a path into third level and higher education that was constrained for them or simply not chosen at an earlier stage in their lives.

⁸ A major exception is when the level and security of income support they receive is linked to the type of provider, an issue highlighted in Table 2.2 below.

firmness with which placement in employment is their goal and by the type or quality of employment that is being targeted. It appears an appropriate application of the National Framework of Qualifications (NFQ) to regard the dominant award levels associated with programmes as, in effect, providing unemployed jobseekers with the key information they need in this respect.

Ireland's NFQ, as the European Qualifications Framework in general, seeks to gauge the level of responsibility and autonomy which award holders can be deemed capable of assuming when it comes to applying the knowledge and exercising the skills that courses impart. For example:

The learning outcomes at Level 3 relate to the performance of relatively simple work, confer a minimum employability for low skilled occupations and may be fairly quickly acquired.

Independence is the hallmark of advancement to Level 4, where learning outcomes correspond to a growing sense of responsibility for participating in public life and shaping one's own life. These outcomes are associated with first-time entry to many occupational sectors.

Learning outcomes at Level 5 include a broad range of skills that introduce the need for some theoretical understanding and typically involve developing the capacity to use the instruments and techniques relating to an occupation. They are associated with work that is undertaken independently but subject to general direction.

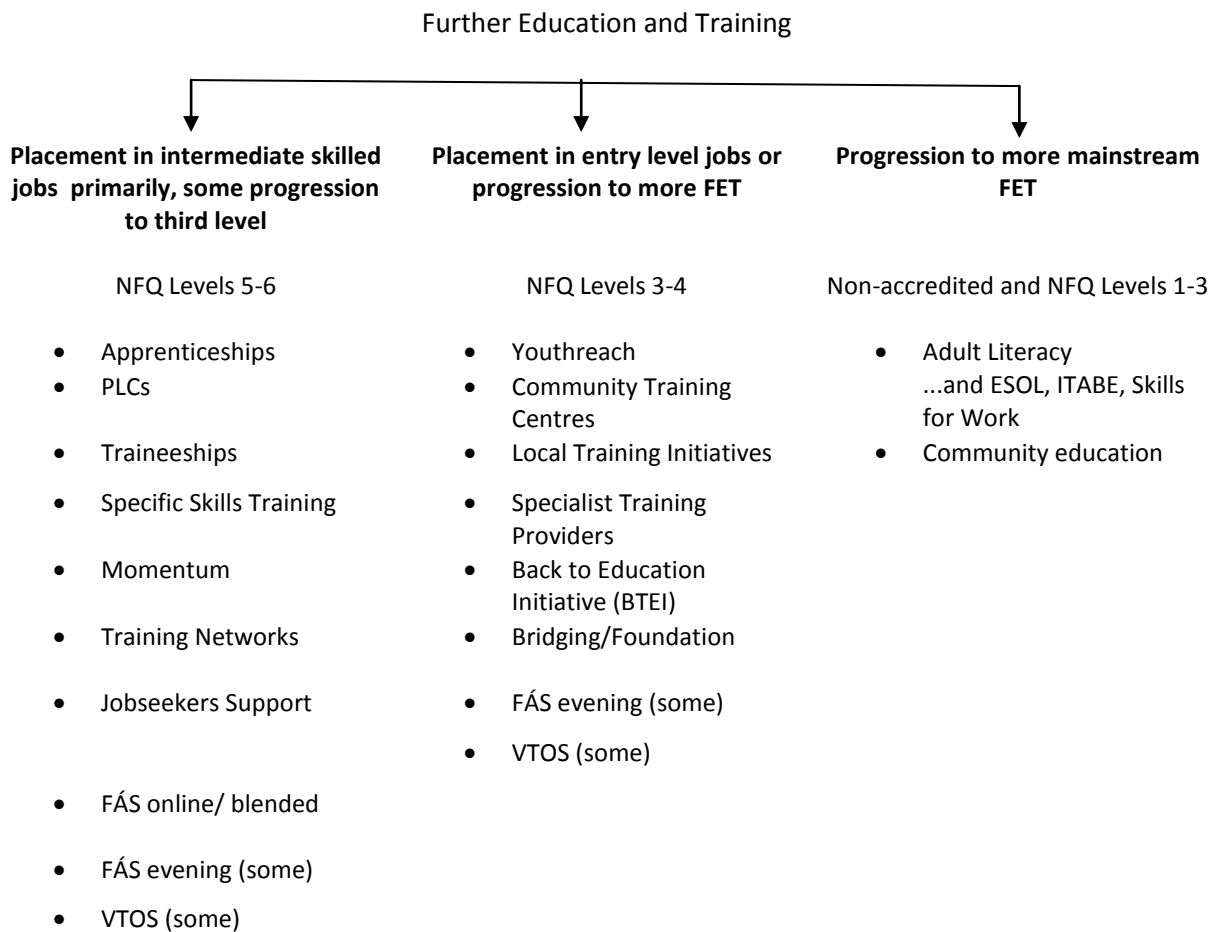
Learning outcomes at Level 6 go further and require more detailed theoretical understanding and a more comprehensive range of skills which may be vocationally-specific and/or of a general supervisory nature. These learning outcomes relate to working in a generally autonomous way to assume design and/or management and/or administrative responsibilities. Occupations at this level include higher craft, junior technician and supervisor.

(FETAC, 2005, *A Policy for Determining Standards*)

Where explicitly vocational courses are concerned, the NFQ award level is intended to reflect an analysis and consensus, in which stakeholders in economic sectors and occupations have shared, that this is the knowledge and these are the skills required to perform a particular class of jobs.

Accordingly, the classification of programmes outline in Figure 2.2 is adopted. Figure 2.2 places programmes into three groups based on the firmness with which entry to employment is a programme objective, the quality of the employment being targeted and, consequently, the levels and types of skills the courses should seek to impart. To emphasise the greater impartiality to which ETBs should aspire in allocating funds on behalf of the unemployed, the two Skillnets programmes – Training Networks and Jobseekers Support – are now included.

Figure 2.2: Classification to guide ETBs service of the unemployed.



In the first group, provision targets intermediate skilled jobs that require the exercise of autonomy and the ability to apply knowledge and draw on a range of skills. These jobs are compatible with people pursuing ‘careers’ in the sense that they are committed to accumulating experience and expertise in focused areas in a way that strengthens their long-term position in the labour market.

In the second group, courses target primarily entry level jobs for which the essential knowledge and skills can be acquired in a short time, that require responsibility and maturity to perform well but which are still typically closely supervised. These jobs accommodate quite different groups of workers, those for whom it is only necessary that their wages and hours support commitments they currently have in their personal and social lives and those for whom the jobs are stepping stones or staging posts on longer trajectories to higher level jobs.

The third group gathers provision that is not targeting jobs directly but personal skills deficits that are so serious as to question the employability of the unemployed concerned and their ability to benefit from the mainstream vocational educational training VET that is available.

In Table 2.2, an ‘unemployment watch’ is practiced on the principal programmes in the first group, and a less detailed analysis is provided of programmes in the second and third groups in an Appendix to this chapter. For all programmes, the intention is to use available data, despite its weaknesses

(discussed in section 2.3), to capture the duration and intensity of the training to which unemployed people commit if they enrol, the current state of knowledge of the principal outcomes associated with each programme, the extent to which jobseekers are the principal participants and – if not – who the other participants are, and what happens to a participant’s Jobseeker’s payment if they do enrol. Below each programme, conclusions are drawn on aspects which merit particular attention in the context of seeking to increase their enrolment of participants from the LR.

Table 2.2: Current FET Programmes and the Live Register Unemployed.

A. Placement is primary: the principal outcome sought is employment that is skilled (intermediary) without requiring third level. The skills in question are typically occupation-specific as well as generic and soft. NFQ award Levels mainly 5-6.

Programme	Intensity	Principal outcomes ¹	Unemployed Participants ²	Current income support if on LR
Apprenticeships	40 weeks training interspersed in 3 phases (out of 7) over a 4-year cycle	Strong employment outcomes for construction-related trades (majority of apprenticeships) until 2008. Significant numbers of redundant apprentices since 2008 but dwindling. Significant progression to third level.	Must first be taken on as an apprentice with a FÁS approved employer. No target for LTU.	Jobseeker’s Allowance (JA) is replaced by a training allowance (40 weeks) and by an employer wage (170 weeks).
<p>Apprenticeships are difficult to access for those already on the LR. Annual registrations are currently low, there is strong competition for them and individuals must first be taken on by an approved employer.</p> <p>Aspects of the current apprenticeship model (duration, cost, structures and processes for designating a trade, cyclical rather than structural responsiveness, etc.) have it under fundamental review. Reviewing it in 2010, Forfás observed that it had worked well in the decade up to 2007 (in terms of employment of apprentices, employer satisfaction, etc.) but that this was significantly due to the proportion of apprentices overall being absorbed into construction-related activities. It made several suggestions: that upper and lower bounds be set to new apprenticeship registrations for construction trades (to avoid oversupply and undersupply respectively); that the duration of apprenticeships be based on when apprentices attain the required competency level rather than time served so as to shorten the duration for those that met the required standards sooner; that alternative dual systems involving employers be developed that are more flexible, less expensive, shorter and covering a wider range of occupations. A major review of the Apprenticeship Programme was initiated by the Department in 2012; a background paper was published and a second stage involving consultation with relevant stakeholders on a set of strategic questions is currently in process. Further containment of the current budget and redirection to alternative methods of work-based training is likely. The unemployed have more to expect from the latter, in particular the extension of features of the apprenticeship model – e.g., employers’ sponsorship of individuals and dual workplace and classroom-based training – to further sectors of the economy, including services.</p>				

Programme	Intensity	Principal outcomes ¹	Unemployed Participants ²	Current income support if on LR
Post Leaving Certificate (PLC) Courses	Academic year (usually one), full-time, not modularised	<p>Outcomes are unknown/not returned for 45% (2011/12 data). Of the 55% known and returned, approx one-third go to third level or other FET, one-quarter to employment and some 14% to unemployment. 72% achieve certification (20% minor FETAC, 42% major FETAC, and 10% non-FETAC).</p>	<p>An estimated 15% were LTU in 2013 * Target of 20% LTU for 2014 *</p>	<p>No training allowance is paid Jobseeker's Allowance (JA)/Jobseeker's Benefit (JB) recipients can qualify for the Back to Education Allowance (BTEA) during the academic year. Recipients may return to JA/JB (and job search requirement) during summer. May be eligible for a maintenance grant similar to other students (Student Universal Support Ireland, SUSI)</p>
<p>The programme functions as the principal alternative to third level entry for youth who complete senior secondary education and is the largest single, initial training programme for a wide range of intermediate skilled occupations in the economy. Of those completing secondary school in 2009/10, for example, 20 per cent enrolled for a PLC, with the proportion of completers in schools serving disadvantaged areas (DEIS schools) higher at 27 per cent (DES, 2013). Through the Higher Education Links Scheme, PLC courses also provide an alternative route to higher education in the Institutes of Technology for those who have completed the Leaving Certificate Applied programme, or who were unable to enter third level education after leaving school. While 50 per cent of its participants are aged under 21, 32 per cent of participants are aged 25 or older (2012). Over the period since the recession struck (2007-2012), the share of places taken by 21-24 year olds has risen (from 15 per cent to 19 per cent) and of those aged 40 and older has fallen (15 per cent to 11 per cent).</p> <p>Courses aim to provide participants with a combination of general studies, vocational studies and opportunities for work experience so that they are able to enter (or re-enter) intermediate skilled jobs in the labour market. Courses are delivered in a wide range of disciplines, such as business studies, childcare, community care, computing and technology, e-commerce, horticulture, multimedia production, sport and leisure, and tourism. The 'labour market justification' test applied to proposals for new courses, however, is cursory and the continuing labour market justification for existing courses is poorly monitored. The alignment of courses to local skills needs is largely the ad hoc result of the leadership and initiative shown by individual colleges and schools. Initially, courses were to incorporate work experience for a third of curriculum time. In effect, the amount and quality of the work experience provided is considered far below what is required of a programme that is the dominant link between young people not attending third level and middle level occupations in the economy. Sometime, work experience is left primarily to students' own initiatives. There is, also, no mechanism for relocating places from one VEC to another in response to changing demographics or levels of demand.</p> <p>The quality of data gathered on PLCs varies hugely across the VECs. In no case are specific data on outcomes for adult unemployed available. There are concerns that aspects of the PLC 'model' make it difficult for many unemployed adults to access, i.e., particularly its duration, that it is full-time and delivered during the school year only.</p>				

Programme	Intensity	Principal outcomes ¹	Unemployed Participants ²	Current income support if on LR
FÁS Traineeships	Average 40 weeks continuous (35 hour week)	Consistently, the best employment outcomes of FÁS programmes. FÁS report (advance findings on 2012 completers) that 60% got employment (or a spell of it), 15% progressed to school/college or further training and 19% remained unemployed. Of 2010 completers (previous bi-annual survey), over 80% received certification which two-thirds stated was useful for jobs.	70% unemployed before starting programme (2010). FÁS estimate 100% and 30% LTU* (2013).	The unemployed with an underlying entitlement to JA/JB receive a training allowance in lieu of their welfare payment. For those aged 25 or over, it is paid at the maximum personal JA rate; for eligible 22-24 year olds, the training allowance is €16 a week higher than their JA would be; for 18-21 year olds, it is €60 a week higher than they would get on JA. There is a €20 bonus for LTU of any age. All trainees are eligible for meal, travel and accommodation allowances. ³

Traineeships are occupational skills development programmes that combine formal training with FÁS and workplace coaching with an employer. The training content and occupational standards are developed in consultation with employers, trade unions, regulatory bodies and interest groups. They are developed for occupations not designated as apprenticeships but which have significant skill requirements best acquired through a combination of alternating periods of on-and off-the-job training. Examples of occupations for which traineeships currently operate include Healthcare Assistant, Childcare Practitioner, Legal Secretary, Office Administrator, Pharmacy Sales Assistant and Sales and Marketing Assistant. In effect, two-thirds of training is in either health, beauty, childcare or welfare helping to explain why the majority of trainees are female (70 per cent in 2012). Traineeships are reviewed approximately every three years. Since the introduction of the Common Awards System, traineeships have become more similar to Specific Skills Training with the difference that Work Practice rather than Work Experience is entailed and employers can be considered more involved in the delivery, and not just the determination, of the training content. Most of the provision is outsourced (FÁS external contracting).

Reviewing traineeships in 2010, Forfás found its outcomes were the best of all the FÁS programmes reviewed and that they provided a good alternative to apprenticeships, enabling participants acquire specialist skills but over a less lengthy period of time and in a more cost-effective manner. It noted, however, that the participant profile was largely short-term unemployed, that most had a Leaving Certificate or higher, that females dominated, that almost four in ten had no social welfare status and almost three in ten were working prior to joining the programme. It suggested there was significant scope for targeting traineeships further on the unemployed and for increasing the male intake. As of 2013, the long-term unemployed have been prioritised for intake to this programme.

Programme	Intensity	Principal outcomes ¹	Unemployed Participants ²	Current income support if on LR
FÁS Specific Skills Training (SST)	Long courses: average 32 weeks continuous (35 hour week) Short courses: average 10 weeks	Consistently, the second best employment outcomes of FÁS full-time training programmes. FÁS report (advance findings on 2012 completers) that 43% who did long courses got employment (or a spell of it), 29% progressed to school/college or further training and 21% remained unemployed. Of 2010 completers, nearly 80% received certification which one-half stated was useful for jobs. Short courses feature more Level 3 provision than long courses.	90% unemployed before starting programme (2010). FÁS estimate 100% (2013)*	The unemployed with an underlying entitlement to JA/JA receive a training allowance etc. (as above for traineeships).

SST can be considered the bedrock of FÁS training for the mainstream unemployed, because of its budget, numbers, large intake of those aged 25 or over, enrolment pattern spread throughout the year, etc. Some 60 per cent of provision is externally contracted, including much of that carried out in FÁS Training Centres.

Most of the budget (75 per cent⁺ in 2013) and of the trainees (60 per cent) are accounted for by long courses. An increased emphasis on short courses in 2011 and 2012 has been partially reversed in 2013. Short and long courses have broadly similar placement and progression outcomes. This is notable. On the one hand, unemployed enrolling for short courses may be targeting a regulatory requirement or precise skill that is pivotal to a specific employment. On the other hand, it is easier for people to ‘accumulate’ short courses without strategic intent.

The identification of the need for new courses and justification of current provision is based on an eclectic mix of methods – Expert Group on Future Skills Needs (EGFSN) and Skills and Labour Market Research Unit (SLMRU) reports, development agencies’ input, employer contacts, changes in the legislative and regulatory environment, waiting lists, surveys on course outcomes and consultation with Department of Social Protection (DSP)/Intreo (in effect, largely consultation with former FÁS employment service officers). The need to balance employers’ short-term needs with the economy’s and trainees’ longer term interests has led to the 2012 introduction of ten career clusters at the national level, based on the identification of groups of jobs related by skills and/or products. Their identification and application to date has remained internal to FÁS to date. However, the relevance of a significant proportion of SST training remains a significant concern, though an increased reliance on external contracting has reduced the element of incumbent course inertia. Concerns also exist that employer and learner ‘demands’ (‘market- and client-driven provision’) are not tempered sufficiently by analysis of local labour market developments.

Programme	Intensity	Principal outcomes ¹	Unemployed Participants ²	Current income support if on LR
Momentum	Average duration 20-24 weeks	Too soon to assess	100% LTU*	No training, travel or subsistence allowances are paid. When the training is part-time, JA is retained but trainees must be available for and seeking work outside of it; when full-time, the Back to Education Allowance (BTEA) is paid in lieu of JA. The BTEA pays the maximum JA rate (€188 weekly).
<p>Being administered and closely watched by FÁS, the Momentum projects are a major departure by Ireland's FET system for several reasons: the intake is closely tied to the LR long-term unemployed; the skills to be imparted are closely tied to sectors of the economy identified as 'emerging' and with good growth prospects (tenders had to identify occupations and sectors where employment prospects exist following training); tenders were invited from public, private and not-for-profit providers on equal terms; the contracts contain a significant payment-by-results element – providers who do not meet the placement rates on the basis of which they were awarded the contract lose a specified part of their payment, while those that exceed their targets receive a specified extra payment.</p> <p>A maximum of four months sustained employment for an individual will recoup the State's investment in that person in welfare savings alone. The skill areas being targeted suggest this should happen in many instances. Momentum stands poised to uncover particularly innovative and competent practice. Trainees currently receive less support than those on longer established programmes. There is concern that these aspects of Momentum mean it may be under-incentivising providers and under-rewarding trainees.</p>				
Skillnets Training Networks Programme (TNP) ⁴	Average of 3.3 training days (not counting placement)	35% of the unemployed trainees gained employment (including self-employment) and 15% advanced to other forms of FET. 47% achieved certification (9% HETAC), mainly at awards Levels 5-6 and higher.	11% in 2012 (3,898 unemployed in 2012 alongside 36,962 employees) 5% LTU	The unemployed eligible for JA continue to receive it.
<p>Skillnets Training Networks provide training specific to the requirements of the employers who form the networks and co-invest with the state in the training. In 2010, in response to the gravity of the unemployment crisis, the Department of Education and Skills (DES) directed Skillnets to fill a minimum of 10 per cent of training places in each network with people currently unemployed. The composition of the unemployed by age and duration of unemployment suggests an intake that is broadly in line with the general body of the unemployed though their educational attainment is higher (85 per cent had more than a Leaving Certificate or its equivalent and only 4 per cent less than a completed Leaving Certificate or its equivalent in 2012). That unemployed people receive training alongside people in jobs confirms its relevance to them and gives them new sources of information on job openings and how to win job offers. More participants than gain employment testify to the value of the training and to their improved confidence in job-search.</p> <p>The cost per trainee to the State in 2012 was €228. Employers spend almost the same as the state per trainee (€207) and determine the training content. Their interest is to raise the productivity of existing employees and to observe potential new recruits. Unemployed trainees require extra time and support from training networks managers. The training can be considered exceptionally short in their instance, especially if LTU. The extent to which unemployed trainees are currently benefiting is likely due to the relevance of the</p>				

training, careful selection and intensive in-course mentoring. The quality and the stability of the employment some acquire after such short training is not known.				
Programme	Intensity	Principal outcomes¹	Unemployed Participants²	Current income support if on LR
Skillnets Job-Seekers Support Programme (JSSP) ⁴	Average of 13.5 training days (similar length of placement)	41% accessed employment and 16% progressed to other forms of FET. 67% achieved certification (20% HETAC), awards mainly at Levels 5-6.	100% in 2012 (2,938 unemployed people) 56% LTU	The unemployed eligible for JA continue to receive it.
<p>The objective of JSSP is to train unemployed people for the general requirements of the sector of the employers who form the network. The unemployed who took part in JSSP as compared to the unemployed who took part in Skillnets TNP in 2012 were younger, less educated (9 per cent had less than a completed Leaving Certificate or its equivalent and 75 per cent had more) and had longer unemployment durations. Quite remarkably, the proportion achieving certification, its level and the percentage found in employment were higher.</p> <p>The cost per trainee to the state in 2012 was €949 and employers contributed an additional €206 per trainee. Their principal interest in JSSP is the opportunity it provides to observe potential new recruits – companies appear keen not to have to recruit ‘from the cold’. They also leverage a higher contribution by the State to the training. For training and placement that averages a month, the outcomes estimated are noteworthy. The same factors are probably responsible: course relevance, careful selection (making full use of the higher educational profile of the unemployed and the larger numbers of them recent work experience) and in-course mentoring.</p>				
FÁS On-line/ Blended	6 months open access to course	FÁS report (advance findings on 2012 completers) that 45% get employment (or a spell of it), 29% progress to school/college or further training and 21% remain unemployed.	83% of learners were unemployed (2010)	Learner’s JA/ JB is not affected. There is a fee waiver
FÁS Evening	One evening for 10 weeks (30 hours)	FÁS report (advance findings on 2012 completers) that 44% get employment (or a spell of it), that 25% progress to school/college or further training and 25% remain unemployed.	Largely unemployed (est. 30% LTU)	Learner’s JA is not affected. There is a fee waiver
The majority of on-line courses are, also, IT related.				
Vocational Training Opportunities Scheme (VTOS)	Academic year, full-time (usually two)	In 2011, 19% headed to employment, 44% to more education or training (18% to third level) and 28% remained unemployed. 73% achieve certification at levels 4 and 5 (46% minor awards and 27% major awards).	77% in 2011*; 57% LTU* (²) Target of 52% LTU* (2014)	Training allowance (FÁS rates) are paid in lieu of JA. In addition, unemployed participants are eligible for meal, travel and accommodation allowances. ³
The intake to VTOS is hugely from the LR (consistently some 75% since 2009), and the proportion who are LTU has risen steadily from 33 per cent in 2009 to 57 per cent in 2012. A further 20 per cent of participants are other welfare-dependent people of working age (Lone Parents, Disability Allowance). Despite its title, ‘Vocational Training Opportunities’,				

VTOS has only one in five advancing to employment and more than two in five using it to progress to more advanced education. The preponderance of minor awards may be considered surprising, given that VTOS is full-time and of long duration.

VTOS has particularly interesting similarities and differences with the Back to Education Allowance (BTEA) administered by the DSP. Under the BTEA, a much larger number of adults (25,000 in 2011) than VTOS supports continue to receive their social welfare entitlement while participating in full-time education. This is for a budget (net of provision costs, i.e., for income support alone) of €202m. As in VTOS, they are exempt from being available for/genuinely seeking work, with the exception of the summer months when they may sign on the LR. As with VTOS, learners self-select (i.e., they are not referred).

The main differences are between the explicitly educational focus of BTEA (the emphasis is to improve on one's current NFQ level) and the vocational emphasis of VTOS on study that prepares for employment. The BTEA has an explicit and much used third level option through which learners can pursue 3-4 year long third level courses, and 61 per cent of participants did so in 2010/11. For this reason, BTEA supports a more educated group of welfare recipients than VTOS (is less targeted). Those who avail of its 'second level' option (1-2 year courses) are closer to VTOS clients - 33 per cent of BTEA recipients used it to do PLCs in 2010/11.

Notes:

1. Outcomes data is based on *DES Further Education VEC National Statistics 2011* for VEC programmes and on advance findings from the *2012 Follow-Up of FÁS Participants* for FÁS programmes. The former, thus, are thus based on students' stated progression destinations on completing programmes and the latter on respondents' answers in independent surveys commissioned by FÁS of participants typically some 15 months after completion or dropping out (e.g., in 2011, the population was 21,723 and response rate was 34 per cent).
2. An asterisk means the data or target refers specifically to the LR unemployed. Otherwise, Labour Force Survey unemployed are referred to.
3. Meal allowance €0.80 per day; travel allowance based on miles starting at €4.60 per week (3-5 miles) and rising to €32.60 (40-50 miles); accommodation maximum of €69.90 per week.
4. Indecon International Economic Consultants (2013), *Evaluation of Skillnets TNP and Finuas Network Programmes, 2012*.

2.3. Existing data on the unemployed in FET

Ideally, it should be possible to pinpoint where unemployed people currently participate across the full spectrum of publicly funded FET programmes, the extent to which they benefit and the cost to the state of enabling this to happen. In effect, this has been difficult to do for two main reasons. First, depending on whether a programme is the responsibility of a VEC or FÁS, data on participants comes through quite different sets of conceptual, administrative and technical arrangements. Second, the respective procedures established by the Department of Education and Skills (DES) for VECs and by FÁS for its programmes, in each case, have their weaknesses which the obligation and requirement to give greater priority to learners/trainees enrolling from unemployment bring into sharper focus.

It needs to be acknowledged that the DES is taking significant steps to improve the quality and comparability of the data that providers which it funds must gather on their learners. This involves identifying and addressing capacity issues (e.g., IT systems and staff training) within providers and subsuming the different FÁS and VEC classification systems and practices into a single system more adequate to the tasks of communicating clearly with stakeholders and providing the raw material for robust evaluation techniques. A DES Data Advisory Group has the core departments and agencies working together to enhance the capacity to track the progression of learners through the education and training system and to evaluate programme outcomes in order to better inform education and training policy and decisions in relation to programme provision. The DES has already established that SOLAS will need to develop a national FET Learner Database, a National FET Course Database and a National FET Course Calendar.

Outlining the difficulties encountered during this review in examining the participation of the unemployed in FET may be considered an input to the work of the Data Advisory Group.

Participation

There is not yet a standard manner for recording enrolment on FET programmes. For example, the social welfare status and unemployment duration of FÁS trainees are estimated from respondents' answers in the biannual follow-up surveys commissioned by the organisation of those who complete or drop out of its training programmes, while the prior economic status of learners enrolled on VEC programmes is recorded differently for some programmes than for others with LR unemployment being captured for only two. However, this is work-in-hand and the required conceptual framework and practical requirements for harmonising how it is done are being advanced by the DES Data Advisory Group.

It is clear that particular challenges arise in recording and tracking the participation of people who enrol from unemployment. They include ensuring that Labour Force Survey (LFS) unemployment and LR unemployment are each allowed for, that unemployment duration is recorded in a comparable way, and that probability of exit probability of exit (PEX) scores are entered when participants have them (all new entrants to the LR since 2012 and all existing claimants by the end of 2013). In courses where the unemployed enrol alongside other groups of learners, it is important that any differences in the completion rates and awards attained can be identified.

Inputs

There is huge diversity in the intensity of FET for which unemployed people enrol. Course duration is the single biggest determinant of the cost of training. Generally, VEC-provided vocational education is associated with longer courses than FÁS-funded vocational training. The National Course Database to be developed by SOLAS must be able to ground a reliable metric enabling the intensity and duration of training to be compared across programmes.

In this context, there is little open discussion of the optimum period of time that should be given to re-skilling and up-skilling, and whether and how that relates to the duration of previous unemployment, the participants' starting level on the NFQ, their PEX and, indeed, current labour market conditions (e.g., favour shorter training when unemployment is low and longer courses when the rate is high). Among some of the best independent training providers there are also wide differences. For example, Skillnets training for unemployed people can be as short as four days whereas FIT Ltd considers courses of between 12 and 18 months are required to launch previously long-term unemployed people into sustainable employment.⁹ Forfás (2012: 5) voiced concern at the preponderance of minor awards over major awards on some full-time programmes believing it raises questions over whether or not the intensity of education and training received is appropriately equipping participants to return to the labour market.

The second major determinant of per capita cost differences across programmes of training unemployed people arises from whether income support in the form of an education or training allowance is included. Sometimes, recipients of Jobseeker's Allowance (JA)/Jobseeker's Benefit (JB) continue to receive their income support from the Department of Social Protection (DSP) while participating in FET. This hinders fair comparison of what different programmes cost the state when they include unemployed people, which Table 2.1 has sought to correct for. It is clear there is an underlying policy issue here, i.e., whether it would not be more equitable and effective if the LR unemployed (and particularly the LTU) were to receive the same level and security of income from the DSP, for whatever course they select with the express intention of entering employment as soon and as successfully as possible.

Outputs

While FET providers cannot be held to account directly for whether previously unemployed learners who complete their courses gain employment in the short to medium term or not, they can and should account for the extent to which they complete their courses, get accreditation that has 'currency' with employers and are more confident and determined job-searchers as a result of what and how they have learned. There are two principal indicators at the time of course completion as to whether this has happened or not: the first is the accreditation which learners achieve, i.e., the

⁹ The UK's Department for Business, Innovation and Skills appears to have a norm that 'full-time training for people on benefits should generally last no longer than eight weeks' (*Rigour and Responsiveness in Skills*, 2013: 23) but this may reflect a labour market and ambitions for labour productivity very different to Ireland.

'hard' metric of certification; the second is what the learner herself has to say about it, i.e., the 'soft' metric of learners' satisfaction and perceptions.

Quality and Qualifications Ireland (QQI) provides neutral and impartial data on the number, level and nature of awards made to those who complete courses. When these are aligned with the NFQ level, awards that differ significantly in the level and complexity of what was taught can be fairly and transparently compared with each other. There is major potential for SOLAS and the ETBs to develop the use of QQI data to assess the alignment of FET provision with their regional/local labour markets and the respective contributions being made by different providers.

A significant part of this has to do with the greater confidence, stronger purpose and clearer direction which their learners then bring to job-search. An enduring indicator of good outcomes in later years continues to be the views that learners themselves provide on the quality of their learning experience and their perceptions of its relevance (OECD, NCVER). In this context, the questions in the biannual *Follow-Up Surveys of FÁS Participants* that gather respondents' perceptions on the benefits to them of their training, their satisfaction with it and use of skills acquired in their first job are particularly important to build on and incorporate into a comprehensive, impartial and widely accessible data set on learner feedback in FET.

Outcomes

Economic and other factors beyond the control of FET providers powerfully affect the extent to which even the best quality 'outputs' help previously unemployed learners find jobs that are commensurate with their new skills. At the same time, providers who market their courses on the basis that learners will acquire knowledge, skills and competences relevant to current and emerging skills needs in the regional and national economy should welcome the 'hard' metric of numbers placed in employment as a valid indicator of the extent to which they are being successful.

Even when providers embrace and value the metric of placement in employment, the manner in which employment is computed can be so different that comparison across programmes is difficult. For example, 'placement in employment' can be checked at different times after course completion, refer to a bout of employment in the intervening period or to continuous employment, to a job for which the learning was relevant or to one for which it was not, and be compared with a reliable estimate of what would have happened anyway (the 'counterfactual') or make no allowance for deadweight (thus, risking attributing to the programme placements in employment that would have occurred anyway). For these reasons, the available data on placements in employment consequent on completing the different FET programmes needs to be treated with considerable caution. A priority for SOLAS must be the commissioning of regular, independent research that allows the contribution of specifically vocational FET programmes to subsequent employment to be identified in the same and as reliable as possible a way for all programmes.

2.4. Flexibility and responsiveness in provision

Responsiveness of VEC provision

Individual VECs have traditionally had considerable autonomy in shaping the composition and responsiveness of the courses they provide. The DES monitors aggregate budgets and issues guidelines for specific programmes but the actual composition of course provision at the individual VEC level is, typically, the net result of the interplay of several different factors, i.e., the levels of local need of, and demand for, basic adult and community education; each VEC's endowment of schools; the profile of local employers and the relationships of individual VEC personnel with them; the exercise of leadership at CEO and college principal levels; the exercise by Adult Education Officers of their key role; the presence and educational and training activities of other actors (FÁS, Institutes of Technologies); and still other factors. Some of this provision needs to be informed by labour market intelligence and guided by knowledge of employment outcomes but re-skilling or up-skilling the unemployed for jobs has not been such a defining or dominant type of provision that VECs needed specialist expertise and systematic procedures for monitoring the skills needs of employers and contributing to workforce development.

Looking ahead, the ETBs continue to have core responsibilities for schools, community education, adult literacy and other forms of adult learning. Their larger scale is intended to develop stronger, more efficient and more innovative provision in each of these areas. Aware, however, that the ETBs are assuming responsibility for the training functions of FÁS, and in response to the unemployment crisis and government policy, the DES requested the FÁS Skills and Labour Market Research Unit (SLMRU) to assist in developing guidelines for the VECs as to where and how they might align their vocational provision better with the skills needs of the economy. Developed in 2012, the guidelines point to specific functions which the ETBs need to assume and for which planning is needed to ensure they have the requisite capabilities to exercise those functions effectively. In a 2013 Update, suggestions were added on how the menu of course provision by the ETBs might specifically be altered with advice proffered on where, respectively, innovation, expansion or retrenchment should be considered (Box 2.1). The guidelines and suggestions in these two reports have major potential to reshape provision in the required ways and, with the formation of the ETBs and SOLAS and the preparation of the latter's five-year action plan, a fuller response to them should be expected.

Box 2.1: Forfás Guidelines for Aligning Further Education Provision with the Skill Needs of Enterprise.

2012 Report: Strategic guidelines

- (i) Improve the quality of survey and evaluative data;
- (ii) Emphasise the quality and progression potential of programmes;
- (iii) Ensure continued accredited outcomes for people with low levels of initial education;
- (iv) Engage local employers, public employment services and other education and training providers;
- (v) Develop much greater availability of workplace learning and flexible learning opportunities;
- (vi) Formally include career guidance and career information in guidance provision in the further education (FE) sector;
- (vii) Ensure adequate provision of the generic/transferable skills required across enterprises;
- (viii) Ensure adequate literacy/numeracy supports;
- (ix) Appropriately monitor regulation-oriented awards;
- (x) Develop and enhance the availability of Recognition of Prior Learning (RPL);
- (xi) Improve the dissemination of information on best practice.

2013 Update: Adjusting the menu of courses

- (i) Enhance provision to meet general and specific enterprise skills needs in marketing; supply chain management; middle-management/supervisory type roles, foreign language business skills; science, technology, engineering mathematics (STEM) disciplines, etc.;
- (ii) Strongly monitor provision to avoid over-/under-supply of skills in healthcare assistants, special needs education, childcare, and regulatory/licensing-based qualifications;
- (iii) Critically review the appropriateness of current provision and ensure a continuing labour market need is demonstrated in arts and crafts, planning and design, housing/building construction, etc.;
- (iv) Review the distribution and balance of provision by NFQ level to ensure adequate Level 3 provision, the integration of core skills provision above Level 3 with specific occupational preparation, that progression pathways function as intended, etc.

A further dimension to the responsiveness of VEC provision is the geographical distribution of places on national programmes that they account for. Once VECs developed their capacities to deliver a specific programme, driven by the factors alluded to, the national budget for that programme and the lack of clear procedures for subsequently redistributing capacity across VECs led, subsequently, to a significant degree of inflexibility and a practice on the part of the DES to make marginal adjustments only. For example:

there is little flexibility to reallocate places from colleges in areas which are experiencing little or no population growth, to colleges in areas of rapid population expansion. If there is found to be greater/lesser demand for a course, allocation is adjusted at the national level and this is applied evenly across the regions rather than taking into account factors such as local demand or population shifts. Funding for courses depends on whether the course was

filled in the previous year rather than on the relevance of the course to the needs of the local labour market (OECD, 2013: 42-3).¹⁰

Table 2.3: 2013 Targets for Participation by Long-Term Unemployed on Further Educational Training Programmes.

<i>Programme</i>	<i>Participants</i>	<i>LTU Target %</i>	<i>Number of LTU</i>
Adult Literacy	43,100	20%	8,620
English for Speakers of Other Languages (ESOL)	11,200	25%	2,800
Community Education	58,000	15%	8,700
Back to Education Initiative (BTEI)	32,000	20%	6,400
Youthreach	3,300	n/a	
Vocational Training Opportunities Scheme (VTOS)	5,700	52%	2,964
Post- Leaving Certificate (PLC) Courses	32,688	15%	4,903
<i>Total</i>	<i>182,688</i>	<i>19%</i>	<i>34,387</i>

Reponsiveness of FÁS training

The responsiveness of FÁS training to the skills needs of the economy, including at the local level, developed and operated quite differently to that of the VECs, reflecting its identity as a national agency with an explicit focus on workforce development. This focus embraced responsibilities for running the public employment service, for administering direct employment programmes such as Community Employment (CE) (these two functions transferred to DSP and its new Intreo service in 2012) and for training those at work, but the training of unemployed people for employment was, consistently, its single largest area of activity. Reduced resources and government policy have seen FÁS, in effect, withdraw from in-work training other than apprenticeships. As a result, the FÁS training functions for which the ETBs are now assuming responsibility are focussed almost exclusively on the unemployed.

FÁS training endeavours to be informed by the best available labour market intelligence. Service planning for the provision of FÁS training is more centrally orchestrated than VEC provision and features a dialogue and interaction between support functions and some directly administered programmes at the national level and scope for autonomy and discretion at the training centre and regional levels. The process of drawing up its annual service plan begins when its individual training centres make proposals on the courses they would like to run. These course proposals are based on a regional and training centre dialogue with employers and employer representative bodies about employers' skills needs in the region, the scrutiny at local level of new programmes that central Curriculum Development Unit of FÁS has developed, an assessment by each training centre of its own capacity and their local knowledge of what VECs and other providers will be making available

¹⁰ OECD (2013), *Local Job Creation: How Employment and Training Agencies Can Help. Ireland.*

and of the courses that can be contracted from third parties. The organisation's overall service plan involves these proposals being received from the regional levels and enhanced or amended at the central level before being rolled into a unified national annual service plan.

There have been some significant new departures in the years since the recession broke, in response to the huge drop in employer demand for several of the more established apprenticeships, instances of poor governance and weak accountability in the organisation itself, and the growing national priority on reskilling the long-term unemployed. For example, better use has been made of contracting third party providers to develop and deliver training that reskills unemployed people for sectors and occupations with the better growth prospects; the concept of clusters has been introduced to help identify and design training that equips participants with the skills, knowledge and competences that increase their mobility across employers and sectors; a greater priority has been attached to training unemployed people on the LR, and the LTU in particular, and to working more effectively with the DSP to monitor their specific capabilities and needs. For the first time in 2011, FÁS regional and local managers were provided with a labour market profile of their region (its economic structure, employers, composition of its unemployed, etc.) in order to reinforce their sense of accountability to local and regional stakeholders as they began their annual service planning exercise (the regional profiles have been further developed and were published for the first time in 2013).

The responsiveness of FÁS training provision has been particularly strong in switching its intake from self-referring unemployed and first-time jobseekers to unemployed from the LR referred to them by the DSP. Its biannual follow-up surveys of those who complete its programmes estimate that 77 per cent of training programme participants by mid-2010 (June-September) were coming from the LR (it had ranged from 33 per cent to 46 per cent in surveys conducted between 2000 and 2006) and that 41 per cent of all full-time programme participants were long-term unemployed.¹¹ These figures need caution in being applied to the current full stock of FÁS trainees because they are survey based, self reported and apply to full-time training only. However, FÁS training has been further targeted on the LR long-term unemployed since 2010. It is expected that almost one-half of the participants on some of its main programmes will be LTU from the LR in 2013¹² and that they will account for approximately 22 per cent of all starters this year.

Specialisation between VECs and FÁS

The significant degree of specialisation that has developed between VECs and FÁS Training is illustrated when the Further Education and Training Award Council (FETAC) awards attributed to the main centres of provision associated with VECs and FÁS are each analysed by their field of learning.¹³ The analysis is illustrative only as a much larger share of FÁS training than of VEC vocational

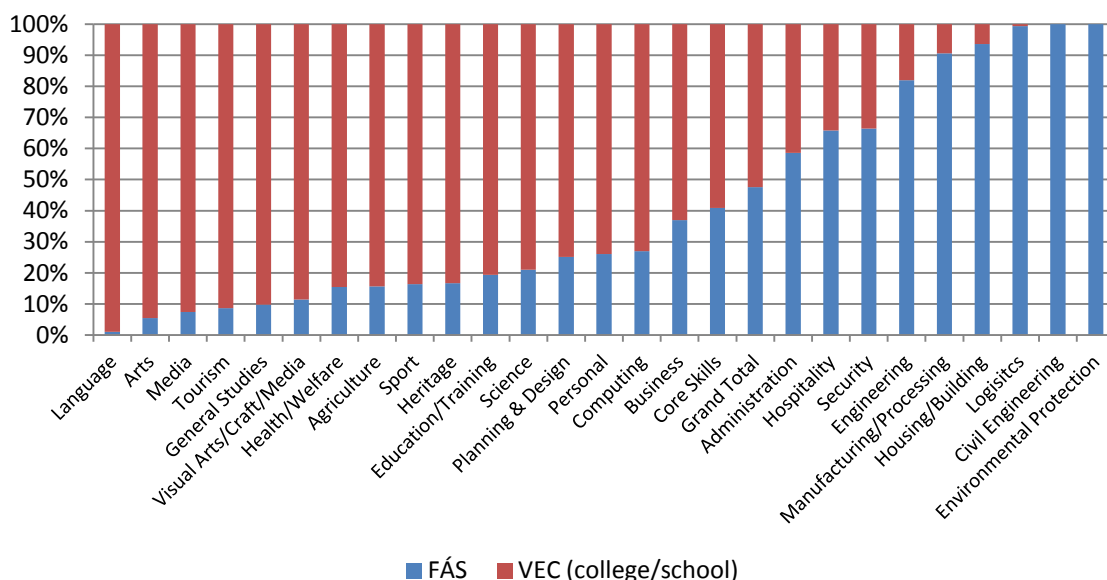
¹¹ FÁS Planning and Research (2012), *2011 Follow-Up Survey of FÁS Participants*. In these surveys, both social welfare status and unemployment duration are self-reported by respondents.

¹² On SST, Traineeships, Bridging, LTIs, STPs and Momentum.

¹³ Further education colleges and schools in the case of the VECs; Training centres and CTCs in the case of FÁS. In effect, 66,214 awards attributed to the VEC-centre types and 59,971 awards attributed to the FÁS-centre types are analysed, accounting for 22% and 20% of all FETAC awards in 2012.

education leads to industry-equivalent accreditation which is not captured in the figure below.¹⁴ With this caveat, Figure 2.3 captures the dominance of FÁS training in eight subfields (i.e., award shares above 60 per cent in environmental protection, civil engineering; logistics; etc.) and the dominance of VEC provision in sixteen others (languages, arts, media, tourism, etc.).

Figure 2.3: FÁS and VEC FETAC awards by subfield of learning, 2012



Source: FETAC

Table 2.4: PLC enrolment by ISCED area: 2007, 2010 and 2011

ISCED code	Course area	2007	2010	2011
723	Nursing and caring	6416	7646	7714
346	Secretarial and office work	6541	6645	5413
213	Audio-visual and media	1670	2326	2348
813	Sports	1163	2103	2257
481	Computer science	1198	1976	2001
210	Arts	1309	2344	1389
214	Design	1400	1409	1306
211	Fine Arts	594	1112	1018
345	Management and administration	89	867	945
812	Travel, tourism and leisure	748	940	928
	<i>Total PLC enrolment</i>	29966	38723	36527
	Top 5 as % total	57%	53%	54%
	Top 10 as % total	71%	71%	69%

Source: SLMRU

¹⁴ In 2012, FÁS helped people acquire approximately 13,400 non-FETAC certificates.

The wider number of subfields where VEC provision is dominant is principally due to the scale and coverage of the PLC programmes. Its 35,600 participants in 2012, for example, were equivalent to 44 per cent of the total number FÁS trained that year across all its programmes. Through PLC courses, school leavers and young adults are, at least ostensibly, being prepared for a wide range of intermediate skilled occupations of particular importance to local economies and in domestic rather than international sectors. Consistently, the top ten international standard classification of education (ISCED) areas into which courses can be classified account for some 70 per cent of total PLC enrolment and are diverse, though, generally, sharing a liberal education rather than technical orientation.

Merging VEC and FÁS approaches

There are major challenges as well as opportunities for the ETBs in ensuring they appropriate and build on what is best and most adequate to the challenges of the future in the practices and procedures through which the VECs and FÁS, respectively, have sought to ensure the flexibility and responsiveness of their provision.

As a specialist workforce-focused agency, FÁS was accustomed to explore the needs for training from the perspectives of the economy, employers and jobseekers, and gave significant autonomy to its regional divisions in this regard. By contrast, VECs have acquired most of their involvement in specifically vocational education by ‘following through’ on the needs of young people leaving or graduating from schools (Youthreach and the PLCs) or in order to attract more adults into education (VTOS and BTEI). The ETBs must now make room for the strengths and logic of both approaches. They must combine the economic and workforce perspectives strongly associated with FÁS with the learner and population-based perspectives embedded in the culture and traditions of the VECs. While 12 of the 16 ETBs have acquired at least one former FÁS training centre each, all have acquired the full range of FÁS training functions. These include the expectation that they will contract training from the private and not-for-profit sector as and when needed in order to ensure the flexibility and responsiveness of their provision to a rapidly restructuring economy, and that they will draw on the labour market research and intelligence of the SLMRU to inform their course provision.

The absorption of FÁS training into organisations composed in their majority of staff and management from the VECs, therefore, is not an endorsement of the superiority of vocational education that is long and broad to the exclusion of training that is short and targeted at specific jobs. On the contrary, the vision behind the establishment of the ETBs requires that they pragmatically, and in as evidence-based a way as possible, identify and provide the full spectrum of VET needed in their areas. This includes deepening the educational foundations to VET, which ensures people’s skills remain adaptable and transferable during their working lives (e.g., Hanushek *et al.*, 2011¹⁵). This may bias provision towards longer courses but maintains the option for people to acquire those increments in skills that can tip the balance in favour of making them employable which has been a valuable aspect of FÁS training. It has not been uncommon, for example, for even

¹⁵ Hanushek, E.A., L. Woessman and L. Zhang (2011), ‘General Education, Vocational Education and Labour-Market Outcomes over the Life Cycle’, *NBER Working Paper 17504*.

third level graduates to avail of FÁS training in their disciplines to acquire the practical know-how that made them more successful candidates for employment. SOLAS and the ETBs must ensure that they simultaneously deepen the educational foundation to the FÁS training they are inheriting and that they increase the workplace relevance of the vocational education in which VECs are already engaged.

2.5. Summary of main findings and recommendations

	Findings	Recommendations
1	There is no standardised manner for recording enrolment across FET programmes	Recording and tracking the participation of unemployed people on FET should be done in the same way across programmes. It should ensure that LFS unemployed as well as LR unemployed are identified, PEX scores entered and unemployment durations are captured in a comparable way.
2	There is huge cost variation between FET programmes driven by different course duration and intensity and also inclusion of income supports.	The National Course Database to be developed by SOLAS should use standardised metrics to compare intensity and duration of training across programmes.
3	FET providers have a responsibility to ensure the integrity and quality of their courses, especially in respect of their 'currency' with employers.	Employers' inputs to the Standard Development Groups of the QQI should be strengthened. The labour market justification for new PLC courses should involve labour market experts.
4	Evaluation needs to be built into the design and management of FET.	Metrics should be developed which can capture placement in employment, subsequent spells of unemployment and re-employment, length of employment, the type of job acquired, the relevance of the training received to the job secured, etc. Evaluation of programmes for those with lower skills needs to include progression to further programmes. SOLAS should commission regular, independent research that allows the contribution of specifically vocational FET programmes to subsequent employment to be identified in the same and as reliable as possible a way for all programmes.
5	Currently, robust evaluations of programme outcomes are sparse and not comparable where they exist.	Continuous evaluation needs to be extended to all FET programmes by SOLAS so that it can fulfil its strategic funding role. Courses that are found not to be effective should be withdrawn and resources re-allocated to those that are performing well. ETBs should be as neutral and evidence-based as possible in deciding which courses and <i>whose</i> courses should receive more funding on their behalf.
6	PLCs – Traditionally there has been poor alignment with the labour market and limited monitoring of	SOLAS and the ETBs should develop more systematic and effective engagement with local employers to ensure a higher quality and longer length to work

	employment outcomes. There no mechanism for relocating places from one VEC to another in response to demographic or other changes. Aspects of PLCs make them difficult for the unemployed to access (e.g., based on the school year).	experience on the programme. Solas should ensure that funding for places is allocated in response to demographic and other changes and that PLC provision should be more flexible and move away from the school year.
7	Specific Skills Training (SST) – The relevance of a significant proportion of SST training remains a significant concern, though an increased reliance on external contracting has reduced the element of incumbent course inertia.	SST should continue to be monitored to ensure its relevance to employers and the right balance between short and long courses.
8	Momentum – While still in early stages it represents a departure in terms of Irish labour market policy and may be able to link the LTU with employment opportunities in new and emerging sectors.	As Momentum begins to operate SOLAS should take note of the potential for adopting the approach more generally in FET provision.
9	VTOS – Despite its title, ‘Vocational Training Opportunities’, VTOS has only one in five advancing to employment and more than two in five using it to progress to more advanced education.	VTOS should be reassessed to determine how to improve employment outcomes

APPENDIX 2.1

B. Both placement and progression are of major importance: the principal outcomes sought are either entry-level employment or progression to more advanced education/training. The skills in question are typically generic, soft and basic. NFQ award Levels mainly 3-4.

Programme	Intensity	Principal outcomes ¹	Unemployed Participants ²	Current income support if on JA
Youthreach	Extended academic year, Full-time (usually two)	In 2011, 13% were heading to employment, 45% to progress in training or education, and 24% to remain unemployed. 75% achieved accreditation (60% minor awards Levels 3 and 4). Strong in improving soft skills and consistently rated for quality by DES inspectorate.	Youthreach is not for the adult unemployed but forestalls applying for JA at 18	16-17 year olds get €40 a week training allowance. For those aged 18 -21, the training allowance is €160 (€60 week higher than they would get on JA). They are also eligible for meal, travel and accommodation allowances
FÁS Community Training Centres (CTCs)	One year average, continuous	FÁS report (advance findings on 2012 completers) that 26% got employment (or a spell of it), that 20% progressed to school/college or further training and 46% remained unemployed.	Unemployed along with early school leavers (e.g.. 62% and 25% of participants respectively -2010) Highly disadvantaged intake (e.g., 63% with junior certificate or less – 2010)	
<p>Of early school leavers in 2009/10, an estimated 25% were enrolled in Youthreach a year later and 6% in FÁS training (DES, 2013 b).</p> <p>FÁS initiated an 'Innovation Strategy' for its 38 CTCs in 2012 seeking to make their training more market relevant, widen the modules available, integrate provision for recognising and addressing literacy/numeracy deficits, and improve governance and outcomes. All trainees are put on a pathway to a major award, Level 3 or 4.</p>				
FÁS Local Training Initiatives (LTIs)	One year average, continuous			
<p>These are projects run by community groups that provide training and work experience for unemployed people with a particular personal, social or geographic disadvantage. There are around 200 LTIs. A national review of them is about to be completed.</p>				

FÁS Specialist Training Providers (STPs)				
18 STPs are under contract country-wide; they enhance programme content, adapt equipment and arrange transport as required.				
BTEI	17 hours a week max, 400 hours a year (multiple years?)	It enrolls a very disadvantaged clientele – 60% had less than an upper secondary education in 2011. 43% achieved certification (2011). Of awards achieved, 27% were at Level 3, 20% at level 4 and 49% at Level 5. Almost no placement in employment was recorded in 2011 (3%). Continuing with BTEI (45%) or some form of additional education/training (13%) were the dominant outcomes.	34% from JA/JB (2011) 20% LTU (2013 est.) Target 25% LTU (2014)*	
<p>While just over one half of participants are in the labour force (34 per cent unemployed and 20 per cent at work in 2011), almost one-half (46 per cent) are outside the labour force. 17 per cent were aged 55 or over (2011). Some unemployed participants may be part of classes that have, overall, a weak employment focus.</p> <p>DES 2012 guidelines stipulate that at least 70 per cent of enrolment should be of adults with less than a completed upper secondary education (it was 60 per cent in 2011). They also stipulate that focus of provision should be on Levels 3 and 4 (whereas one-half of certification in 2011 was Level 5). There is concern that the prestige of Level 5, for learners and providers, may be leading to under-provision at Level 4 and to some learners being ‘precipitated’ into Level 5 courses for which they are not adequately prepared.</p> <p>The potentially indefinite term of participation on BTEI is also an issue (45 per cent of 2011 participants remained on the programme in the following year).</p> <p>The unemployed in receipt of JA retain their eligibility if their participation does not exceed 17 hours a week, their courses are likely to improve their chances of gaining employment and they remain eligible for work (DES 2012 guidelines). Their tuition is free as it is for non-claimant unemployed who have not completed the Leaving Certificate or its equivalent. Others must pay fees. There are no training allowances.</p> <p>Initially, BTEI was conceived as an access route to the full suite of existing FET – ‘cracking open’ full-time courses to include part-time learners and to link with adult literacy provision in particular – rather than adding stand-alone BTEI courses to the menu. It is not unusual now for VECs to offer stand-alone BTEI courses. Generally, little is known about what the unemployed (and the 20 per cent employed) use BTEI for, i.e., how long they stay on it, what awards they achieve, what employment impacts the awards have, etc.</p>				

C. Progression is primary: the principal outcome sought is progression to more advanced education/training by building confidence and imparting basic and foundational skills. Non-formal as well as accredited provision (Levels 1-3).

Programme	Intensity	Principal outcomes ¹	Unemployed Participants ²	Current income support if on LR
FÁS Bridging/Foundation	Average 12 weeks		Est. 30% LTU	
Adult Literacy	Typically, 2-4 hours per week during academic year	Significant 'wider social benefits' (social participation, health, etc.) almost certain but no reliable metrics to capture them. 25% achieve certification, most at Level 3 Significant percentage (21%) remain at same level. Little progression (e.g., 2% to BTEI). 'First come, first served' leading to under-representation of those with most acute deficits. Significant participation by people at work (28% of participants 2011) and by people outside the labour force (32%).	38% unemployed (14% LTU) in 2011 20% LTU (2013 est.) Target of 25% LTU (2014)*	
Variant: ESOL	Typically, 2-4 hours per week		45% unemployed (2011) 25% LTU (2013 est.) Target of 30% LTU (2014)*	
Variant: ITABE	Up to 6 hours per week for 14 weeks		55% unemployed (2011)	
Variant: Skills for Work	Average 35 hour courses (option to do more than one)	40% achieved FETAC Level 3 (2012)		
The participation by the unemployed is higher in ESOL and, higher still in ITABE, than in general adult literacy. Nearly 50% of ESOL participants are migrant workers and 70% are aged 25-44 as against 40% for adult literacy participants generally.				

For the unemployed in receipt of JA, participation does not affect their entitlement though they must remain available for and actively seeking work. Those with literacy needs were no more likely to receive FÁS training (over period 2007-08) but benefited from it to a greater degree when they did (ESRI, 2012)

Significant demand from employees/their employers for literacy/numeracy supports (28% of learners in 2011): to retain their jobs, advance in their workplace.

Community Education	40% achieved FETAC Level 3 (2012)	7% achieve certification, of which approx. one quarter Level 3 and one quarter Level 5 (2011)	21% unemployed and 11% LTU (2011) Est. 15% LTU (2013)* Target of 20% LTU (2014)*	
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The programme guards the need for non accredited provision. Its informality is considered essential to enticing some people distant from the labour force to take a first step to becoming attached. However, it is not (yet) demonstrable whether in effect, it builds confidence in learning and leads to greater ambitions.

The unemployed, including the LTU, are one of 14 target groups for this programme. The large number of groups reflects the National Action Plan for Social Inclusion and, as in that plan, are overlapping and not discrete groups (e.g., it is possible for the same individual to belong to multiple target groups). A large proportion of learners are retired (27 per cent in 2011)

For the unemployed in receipt of JA, participation does not affect their entitlement though they must remain available for and actively seeking work.

Notes:

1. Outcomes data is based on *DES Further Education VEC National Statistics 2011* for VEC programmes and on advance findings from the *2012 Follow-Up of FÁS Participants* for FÁS programmes. The former, thus, are thus based on students' stated progression destinations on completing programmes and the latter on respondents' answers in independent surveys commissioned by FÁS of participants typically some 15 months after completion or dropping out (e.g., in 2011, the population was 21,723 and response rate was 34 per cent).
2. An asterisk means the data or target refers specifically to the LR unemployed. Otherwise, Labour Force Survey unemployed are referred to.

3. The skills needs of enterprise and FET

3.1. Outline

A wide diversity of employers have skill needs that the further education and training sector (FET) sector can supply. These are specified and communicated to providers in ways that are also diverse and have very different degrees of clarity and reliability behind them. This chapter looks at enterprise skills needs relevant to FET provision (and, thus, at provision at Levels 6 and lower on the NFQ) and sketches some of the consequences or implications of this demand for the institutions and procedures through which employers and providers interact and for course content and delivery.

FET has a role in helping supply skills needs in practically every type of enterprise – in those involved in international markets (e.g., exporters of goods and services in information technology (IT), pharmaceuticals, food and beverages, etc), in those that are large players in domestic sectors of the economy (e.g., in wholesale and retail, health and social care, green economy, construction, etc.) and in those that have a local identity and serve local markets primarily or exclusively (e.g., micro-enterprises and SMEs). As outlined in Chapter 2, FET can usefully be examined for the contributions it makes in helping learners access intermediate skilled jobs, entry-level jobs and to achieve employability respectively. This is the outline this chapter follows. What enterprises in Ireland are looking for by way of skills and some of the main issues that arise for SOLAS and the education and training boards (ETBs) are examined in turn for intermediate skilled positions (Section 3.2), for entry level positions (Section 3.3) and by way of employability thresholds for entry to the workforce (Section 3.4). The timescale for this review limited the amount of new data that could be gathered but existing data has been scrutinised for what is most illustrative. Consultations and some core labour market insights ground several findings as to what is needed by way of institutional and procedural changes if FET provision is to be better aligned with the skills needs of enterprise.

3.2. Intermediate skills and FET provision at Levels 5-6

3.2.1. Types of enterprise

Internationally trading

Generally, there is a developed awareness across Ireland of the demand for third and fourth level graduates on the part of enterprises in Ireland's leading export sectors. The skills needs of these sectors constantly evolve and pose challenges and opportunities for the higher education institutions and the HEA to work closely with employers and the State's advisory bodies on economic development. The recession has prompted some notable new forms of stronger collaboration (e.g., ICT conversion courses, Springboard). These sectors of the economy and these enterprises, however, are not enclaves for third-level graduates but can and do recruit FET graduates for medium-skilled and entry-level positions.

This was noted, for example, in an Expert Group on Future Skills Needs (EGFSN) 2010 report on the Biopharma-pharmachem Sector. While many of the skills challenges identified relate to higher skills

areas (e.g. graduate and postgraduate level), the report noted that the skills acquired in the further education and training sector function as an important step in the progression route to higher qualifications (e.g., to Level 7 higher on the NQF). The report also pointed to an important role for FET in helping operatives in the industry to cope with changes being required of the sector. FET is needed to help operatives become more flexible and raise their skill levels in a number of areas, including IT, analytical offline testing, mechanical changing of equipment, chemical engineering and chemistry. They will also be required to develop significant team-working skills. The EGFSN recommended that an up-skilling programme targeted at operatives should be developed to include full-time and part-time programmes at NQF Levels 6 and 7, with some initial provision at NQF levels 4/5 for those in the workforce for some time. The EGFSN 2007 report on the international financial services industry similarly found acute shortages of high skills in the industry but significant demand at other points on the skills spectrum also. It voiced the industry's need to source new entrants from 'alternative' labour pools (meaning alternative to third level graduates) such as school leavers, parents returning to the workplace and migrants overqualified for their jobs in other sectors and pointed to an important role for FÁS, PLCs and others in enabling such groups to acquire the industry-specific foundation skills required. Financial services is no longer a rapidly growing sector but the point remains that a close examination of an internationally trading services sector in a time of expansion revealed its potential to employ FET graduates in significant numbers.

The IT sector is, currently, expanding and a 'skills audit' carried out for the industry by an enterprise-led, not-for-profit training body in the sector again evidences significant demand across the skills spectrum. FIT Ltd. consulted with 38 IT companies in 2012, largely multinationals (collectively employing some 25,000) on their recruitment needs to identify the specific employee skill sets the companies were looking for to fill the 4,500 vacancies they reported. The audit arranged the vacancies by eleven ICT occupational disciplines and distinguished the skill sets in demand as arising at one of three levels: 'entry level' if the employee skill sets needed to be useable and exercised in a highly structured environment or under regular supervision/mentoring; 'competent' if the skill sets needed to be well-established and exercised in independent work on individual tasks or as a fully-fledged team member with occasional supervision; 'expert' if the skill sets were advanced and required on the part of team/project leaders or backup technical experts. The audit established that there was significant demand for 'competent' and 'entry level' skills sets as well as 'expert' in a sector strongly associated with third level recruitment in the public mind.

Large domestic sectors

Generally, enterprises serving domestic and local markets are less aware of their skills needs, less articulate in expressing them and have less-developed human resource strategies than enterprises that compete in international markets.

A prominent exception was the process that produced the EGFSN's 2010 report on the 'Future Skills Needs of the Wholesale and Retail Sector'. This report examined a large domestic sector that is particularly integral to the health of most local economies and important to local jobseekers. It sought to dispel its image as a low-skilled sector. While relatively low-skilled sales assistants are numerous in the sector and constitute 'the largest single occupation' in the economy, the report pointed to the significant and rising demands for higher-level skills in the retail trade and underlined

the potential this created for upward mobility. It recommended developing a Skills Framework for the sector aligned with the National Framework of Qualifications, that would highlight the various career paths available and identify training needs to smooth these paths. The report also pointed to the potential role of the recognition of prior learning within wholesale and retail. Many people working in the sector may already have developed the skills and competencies they require to meet existing qualification standards. Recognition of prior learning has the potential to establish employees' existing competencies and their position on the National Framework of Qualifications, enhance employee mobility, and encourage workers to pursue further education and more specialist qualifications within the sector. As a relatively high-turnover sector, wholesale and retail can also play an important role in labour market activation, particularly in linking skills training with on-the-job practical experience. The report identified a large number of career paths available, particularly to those with relatively low levels of educational attainment that can lead to rewarding professional careers in areas such as supply chain management, marketing, purchasing, customer relationship management and people development.

There are other large domestic sectors that have significant levels of demand for intermediate-skilled workers. A snapshot of what happened those who received major FETAC awards in 2009 one year later found that over one-half of them in total (56 per cent) had experienced at least some employment. For one third, this was employment in one of three sectors- in human health and social work (14 per cent), wholesale and retail activity (11 per cent) and accommodation and food activity (7 per cent). Nearly all of this was employment for female holders of Level 5 awards. The only significant employer of Level 6 awards was the construction sector, accounting for 4 per cent of the 2009 graduation year, most of them males (Dempsey, *et. al.*, 2013).¹⁶

Small local employers

Fifty six per cent of all private sector workers in Ireland work in indigenous, non-exporting SMEs (Hynes, 2012, *Economic Assessment of SME Sector in Ireland*). Many of them do not come on the radar of the EGFSN. The current and emerging skills needs of these employers and their workers are frequently ascertained and responded to by individual VEC colleges and local FÁS training centres but in a piecemeal way that is not guided or informed by a systematic analysis and assessment of local labour market needs.

3.2.2. Issues arising

Internationally trading enterprises

The extent of the continuing demand in leading export sectors and on the part of 'agency assisted' enterprises for intermediate skills that the FET sector can provide may need a higher profile in EGFSN research and to be communicated more vigorously. Without prejudice to the importance of the need for high-level skills on the part of these enterprises, EGFSN studies should systematically

¹⁶ Dempsey, R., O'Neill, R. & Tickner, N. (2013), *Where do FETAC (QQI) Award Holders Go?*, Dublin: Quality and Qualifications Ireland.

inquire into their needs for intermediate and foundation skill levels also and seek as detailed information as possible on behalf of the FET sector.

Adult education officers consulted for this review frequently described EGFSN reports as ‘high level’ meaning that a significant gap typically remains between the needs the reports outline and the specification of the curriculum that ensures courses will effectively address them. The curricula which FIT Ltd provides for IT courses that vocational education committees (VECs) and FÁS then deliver was cited several times as a good example of what is required to bridge the gap between skills deficits articulated at the national level and effective FET responses.

Typically, higher education institutions feature prominently in forums and processes seeking to ensure the optimum conditions at regional and county levels for attracting inward investment and to frame broader regional and local economic development strategies. It is less usual that VECs are prominent participants. This should change with the advent of SOLAS and the education and training boards (ETBs). The larger scale of the ETBs, but above all the fact that their remit includes training and education for the employed and unemployed in their regions’ workforces, requires that they and SOLAS should become prominent participants, along with HEIs and the HEA, in the further development of Ireland’s export-led economic growth model and in ensuring it is as supportive of regions and of a socially inclusive labour market as possible.

Large domestic sectors

The EGFSN report on the wholesale and retail sector can be considered an important template for other large domestic sectors, for example, childcare and social care and restaurants, catering and hospitality. The development of skills frameworks for these sectors on the lines of the 2010 EGFSN report should be promoted as a priority by SOLAS for their potential to provide clear guidelines for ETBs on the levels and types of awards likely to prove particularly beneficial to local jobseekers.

Despite its importance, there was a disappointing lack of follow-through to the 2010 report on the wholesale and retail sector. A single forum acting for the industry does not exist, and the report appears to have had little impact on the large number of businesses in the sector that have only a regional or local presence (the companies that participated in the production of the report were national players). The follow-through to EGFSN reports, particularly at the regional and local levels, could be strengthened in collaboration with SOLAS and the ETBs.

Even when the need for intermediate skills important to local economies is identified, there can be a preference to meet them through higher education institutions rather than through the further education and training system. For example, while some 170,000 were employed in the retail, health and hospitality sectors in the Dublin region in 2011, there were only 5,000 Post Leaving Certificate (PLC) course enrolments in those fields that year and three times that number enrolled at undergraduate and postgraduate level in the same fields (OECD, 2013). The prestige of going to be third level is justified on many solid grounds and is the correct choice for a large number of people. But encouragement and support for higher levels of enrolment at third level needs to be done in a way that does not harm groups of learners and types of economic activity where a third level education is not required. The potential for harm and how to avoid it has been expressed in this way by the OECD:

There are still many jobs that do not require university degrees and school reforms based on the premise that an economy can be transformed rapidly into one in which everyone is a symbolic analyst are unrealistic and have potential boomerang effects. ...[For example, one] danger is that public schooling graduation standards are raised so high to prepare more for university that a significant number of lower-performing students ...fail to complete ...and become even more alienated from schooling.... Policy makers [need to raise levels of educational attainment to ensure forecast growth in skill requirements are met with some room to spare but in a fashion that maximizes educational opportunity for individuals from under-represented groups and avoids shutting out or leaving adrift those who do not seek or are not prepared for university study. This includes further examination of the potential benefits of strengthening of career, technical, and vocational education and training systems for those not attending university (Handel, OECD: 2012:83).¹⁷

The economic arguments and evidence that the utilisation of higher skills in domestic enterprises contributes to national economic competitiveness are not presented with the same force and frequency in economic policy documents as are the arguments that high skills are essential to the competitiveness and expansion of exporting enterprise.

Large and small domestic companies

Consistently, specifically local economic developments occur from which local employment opportunities arise and which local stakeholders—local authorities, chambers of commerce, individual employers, etc. – rather than national bodies are best placed to see. A significant body of OECD work underlines the importance of local labour market intelligence to identifying skills needs (as well as of local autonomy and capacity in developing supply to match demand, an issue addressed later) (OECD, 2012; 2013).¹⁸ In this context, it is important that SOLAS should ensure the Skills and labour market research unit (SLMRU) has the resources required at an early stage so as to be able to inform its Regional Labour Market Profiles with richer local intelligence so that these profiles can serve as important contextual documents guiding the work of the ETBs.

Pathways to Work 2013 envisages more intensive and systematic collaboration between the enterprise development agencies—EI, IDA, Local Enterprise Offices (LEOs), etc.-and the Department of Social Protection (DSP)/Intreo in a bid to ensure that the formers' client companies recruit as much as possible from the Live Register (LR) and that the DSP is made aware of the skills needs of agency-assisted enterprises. Clearly, the intermediation of specific and tailored training will be important if many on the LR are to become the type of employees these companies are looking for. It is important that the ETBs should be part of this structured dialogue from the start and that they should not have to develop parallel processes for engaging with the same employers.

¹⁷ Handel, M.J. (2012), *Trends in Job Skill Demands in OECD Countries*, OECD Social, Employment and Migration Working Papers No. 143.

¹⁸ Froy, F., Giguère, S. & Meghnagi, M. (2012), *Skills for Competitiveness: A Synthesis Report*, OECD Local Economic and Employment Development (LEED) Working Papers 2012/09, OECD (2013), *Local Job Creation: How Employment and Training agencies Can Help*, Paris: Organisation for Economic Co-operation and Development.

3.3. Entry level jobs and FET provision at Levels 3- 4

3.3.1. What employers are looking for

A significant level of recruitment takes place each year into low-skilled sectors and occupations even though they are shrinking in relative size within the economy.

Analysis of the job vacancies notified to FÁS (on Jobs Ireland¹⁹) in 2011 found that the number of vacancies was highest for workers in health/care services, sales and clerical workers and that the three occupations combined accounted for over one half of the 96,000 vacancies advertised that year (EGFSN, 2012). The occupations, the report noted, are mainly associated with sectors with relatively high rates of turnover (retail, temping activities, and hospitality) and may also have varying seasonal demands suggesting that, while the employment opportunities may be frequent, large proportion of advertised vacancies may not be permanent.

Analysis of all the flows into employment during 2011 found that a large proportion were into routine service jobs and unskilled manual ones (15 per cent to sales occupations, 10 per cent to personal and protective service occupations, 8 per cent for plant and machine operatives and 21 per cent into other elementary occupations) (DSP, 2012).²⁰

Analysis of all the principal flows that took place within the Irish labour market in 2012 found that there were over a quarter of a million entries to employment (in a year when aggregate employment growth was 0.1 per cent) and that a large proportion of these were into lower-skilled jobs. In fact, the largest numbers of people changing their employer, switching occupations, becoming unemployed, leaving unemployment for a job, taking time out from employment (exiting to inactivity), and coming into a job from inactivity were, in each case, where lower-skilled occupations were concerned (EGFSN, 2013). The study draws two central conclusions:

- (i) Access to work in general in Ireland is not as difficult as in many other EU countries where labour markets are characterised by more restrictive employment protection practices. The large degree of movement in the Irish labour market is important for new entrants and contributes to maintaining the level of basic generic workplace skills among a large number of people (the authors cite personal presentation skills, punctuality and time management, the ability to follow instructions, understanding how businesses must function, etc.);
- (ii) Access to sustained employment with relatively secure tenure and good working conditions is difficult for a large number of people, with much of the annual flow into employment involving temporary, short contracts that are interspersed with spells of unemployment and periods of inactivity. Participation in this job churn, therefore, is making occupation-specific skills development difficult for the majority of those involved with only small numbers managing to 'trade up' their job or leave them for FET (e.g., over one half of the exits to inactivity from sales occupations was to study).

¹⁹ A collection of all vacancies advertised by employers through the National Contact Centre in FÁS.

²⁰ Department of Social Protection (2012), *A Review of Department of Social Protection Employment Support Schemes*, Dublin: Department of Social Protection.

In recruiting unemployed people for entry level positions, employers simultaneously want little and want a lot. They do not require a lot by way of hard skills and qualifications but do want evidence that candidates have the attitudes and soft skills that will enable them to learn what their job entails, adapt to the company's organisational culture and get on with colleagues. In support of this review, the employers' body, IBEC, attached three questions to its Q2 2013 survey of business sentiment. A first question asked companies to indicate the level of importance they attach to each of ten attributes when interviewing candidates for positions that do not require third level graduates (Table 3.1). Seventy five per cent described 'work attitude' as very important, more than double the weighting attached the second and third ranked attributes. The extent to which respondents plumped for the word 'attitude' is remarkable. It had a connotation for them distinct from skills described as 'soft', 'general' and 'specific' (they also had the option to underline the importance of IT skills). In discussion of the results with HR managers in large domestic service companies (retail, food services, etc.), the preference did not surprise and was explained as capturing the pivotal importance that employees should be able to relate with external *and* internal customers (i.e., existing staff). They opined that employers are willing to arrange for or supply any specific training required once the requisite willingness, teachability, emotional intelligence and adaptability are present. The results also suggest that, once such attributes as work attitude, soft skills, numeracy and literacy, and related work experience are established, actual qualifications get scant attention.

Table 3.1: Attributes employers seek¹.

When recruiting for non-graduate positions, how important are the following criteria for your business?		
	Very important	Unimportant
Work attitude (inc. availability, flexibility, etc.)	74.8%	1.1%
Soft skills (communication, presentation, etc.)	36.5%	5.8%
Levels of numeracy and literacy	36.1%	3.2%
Specific work experience (relevant to position)	34.9%	7.3%
General work experience	18.8%	7.2%
Level of IT skills	17.4%	15.6%
Further Education & Training awards -areas studied	13.9%	19.8%
Further Education & Training awards -level achieved	13.5%	16.4%
Social welfare history	5.5%	48.7%
Wider social interests (volunteering, sport, travel, etc.)	4.8%	41.8%

Source: IBEC Business Sentiment Survey, Q2 2013

Note:1. 273 companies responded. They could mark each criterion as 'very important', 'important', 'unimportant', 'not important at all' or 'not applicable'. Only the first and third marks are recorded here.

The respondents' answers to a second question on the recruitment methods they use appear to corroborate their answers to the first (Table 3.2). Current staff are trusted as significantly capable of knowing who will fit well into the current workplace, while having temporary staff or interns gives management the opportunity to watch for attributes that are difficult to infer from CVs, online applications or qualifications held.

Table 3.2: Employers' recruitment methods.

In your experience, how effective have the following sources been when filling non-graduate positions?					
	Very effective	Fairly effective	Ineffective	Not applicable	Total
Referrals by current staff	22.6%	56.2%	8.8%	12.4%	100%
Temporary staff, internships, etc.	22.5%	52.4%	10.7%	14.4%	100%
Private recruitment agencies	15.7%	48.7%	13.5%	22.1%	100%
On-line applications	9.7%	43.8%	24.3%	22.1%	100%
Apprenticeships	8.2%	24.9%	11.5%	55.4%	100%
Walk ins (individuals personally applying)	5.2%	32.2%	43.0%	19.6%	100%
Local VEC college / centre	2.6%	23.7%	28.2%	45.5%	100%
Local FAS Training Centre	2.6%	22.5%	33.3%	41.6%	100%
National Contact Centre	0.4%	7.8%	34.1%	57.8%	100%
Not-for-profit bodies	0.4%	6.5%	25.6%	67.6%	100%
Local Social Welfare Office	0.0%	7.1%	47.0%	45.9%	100%

Source: IBEC Business Sentiment Survey, Q2 2013

The IBEC survey results are not unusual in a comparative international context. For example, research carried out for the UK's Department for Work and Pensions on 'what employers look for when recruiting the unemployed and inactive' found that soft or employability skills were of major importance for a large proportion of entry-level jobs, and that employers placed little value on qualifications (except for some specific occupations where they were a legislative requirement).²¹ The UK research also noted the value placed by companies on work experience and work placements as an opportunity to observe whether individuals had the required soft skills. The Irish discussants and the UK research alike accepted there was a lack of precision in such terms as 'attitude' and 'soft' or 'employability' skills but this too is not unusual. A McKinsey report dubs soft skills as 'hard work' because of the challenges still outstanding in identifying just what they are (including being open to a significant occupationally specific element to them, e.g., tolerance in certain customer service roles):

²¹ DWP (2005), *What employers look for when recruiting the unemployed and inactive: skills, characteristics and qualifications*. Research Report No 295. See also Payne, J. (2000), 'The unbearable lightness of skill: the changing meaning of skill in UK policy discourses and some implications for education and training', *Journal of Education Policy*, 15.3.

The hard work of soft skills: One of the things we learned in our research is how highly employers value “soft skills.” But they are harder to define, distil, or express. As such, we have struggled to find good examples of training programs for soft skills that are ... precise or focused. Part of the reason is that soft skills encompass such a wide range of concepts, from personal characteristics (confidence, temperament, work ethic) to social and cognitive skills (communications problem solving). As a result, the term means different things to different people. ...Providers and employers have improved their capabilities when it comes to describing technical tasks and competencies. It is time they do the same for soft skills.

(Education to Employment: Designing a System that Works, 2013: 67)

3.3.2. Issues arising

In consultations for this review, the importance of soft skills was not disputed but the manner in which FET provision brings participants to acquire them in a sustained fashion was much discussed. Some practitioners felt it was difficult for participants to acquire them in a sustained way through stand-alone modules dedicated to, for example, ‘communications’, ‘confidence building’ and the like. When this happened, the learning can have a short shelf-life. However, in the context of longer, occupationally-specific training, skilled instructors can ensure that the learning process itself reinforces confidence, listening skills, collaboration with others and other soft skills, i.e., these skills are essentially ‘learned by doing’ and acquired in and through being prepared for an occupation

Institutional and procedural issues

SOLAS and the ETBs, on the one hand, and DSP/Intreo, on the other, need to discuss and forge some shared perspectives on what constitutes poor quality employment and on the risks as well as the potential benefits that attach to providing short training courses that prepare people for occupations with high turnover. The DSP/Intreo is already aware of its need for more research into how the recession has affected the terms and conditions of the employments being offered many of its clients. For example, employers in some service sectors may be rostering hours at such short notice and with such weekly fluctuations for individuals that those who need to remain eligible for partial receipt of JA or who have domestic commitments may be at a significant disadvantage. An appropriate response may be to further improve the ease with which earning for hours that are unpredictable and capable of wide variation from week to week can be reconciled with partial receipt of JA. It needs to be frankly acknowledged that there can be a tension between, on the one hand, the interests of DSP/Intreo in reducing the numbers on the LR and procuring for more of its clients an experience of any job over the alternative of uninterrupted long spells on the LR and, on the other, the interests of FET providers in securing jobs for their learners that are commensurate with their abilities and expectations. The collaboration of both parties will be strengthened by research that inquires into why some jobs/occupations have a high turnover and should be an important part of the research agenda of SOLAS.

Raising the demand for skills

It is quite possible that, in some key occupations and sectors, SOLAS and the ETBs should consider their role as not just supplying the current skills needs articulated by local employers but as working

with them to raise their *demand* for skills (refs, OECD, SKOPE). This entails ‘marketing’ the opportunity their graduates provide for employers to upgrade job descriptions so as to reduce high turnover with its associated recruitment costs and reap the benefits of longer tenure and higher productivity. There is a significant potential role for the LEOs and ETBs to work with employers currently relying on low-skills business models to move to models based on utilising higher skills. These entail combining a higher-skills intake (supplied by retraining existing employees or recruiting from local FET colleges) with new product market strategies, redesigned job descriptions and the reorganisation of their workplaces. The realisation of mutual benefits for the enterprises (wider markets, lower recruitment costs, improved profits) and the workers (higher earnings, longer tenure, greater job satisfaction) concerned confirm that the relevance and quality of the FET in question.

There is significant evidence that Irish workplaces are more likely to underutilise the skills of their current employees than require tasks of them for which employees feel they need further training. For example, of 24 OECD countries, Ireland (in 2010) had the fourth highest proportion of employees reporting that they ‘have the skills to do more demanding duties at work’ (therefore, likely to have skills that are being underused) and the lowest proportion reporting they ‘need further training to cope well with my duties at work’ (therefore, the least likely to have employees under-skilling for what they are doing) (OECD, 2012, *Better Skills, Better Lives: A Strategic Approach to Skills Policies*: 82).²²

Instances of skills underutilisation are more common in enterprises serving the domestic market, with workers being over qualified for their jobs and/or having a potential to up-skill that their employers are not interested in developing. Such skills underutilisation is associated with job dissatisfaction, shorter job tenure and higher labour turnover, lower productivity and slower business expansion. In a recession, it is likely that more people take jobs for which they are over skilled and from which they will take the opportunity to move on when the labour market recovers. This makes it even harder for the lower skilled to find jobs to which they are suited.

In fact, low skills equilibria can survive more easily in parts of the domestic economy than in internationally trading sectors. Where employers have built their business model on low skills, specific opportunities are provided to activation strategies in the short term, but the sustainability of employment and the viability of the enterprises themselves are at risk in the medium and long term.

In every economy, there are significant numbers of employers not interested in raising the skill levels of their employees, with some stating this frankly and some professing to be interested but not to the extent of incentivising employees who do so by improving their wages. The McKinsey report already cited provides a popular but serious reminder of the complexities and challenges that SOLAS, the ETBs, DSP/Intreo, the Department of Jobs, Enterprise and Innovation (DJEI) and Forfás must face together in seeking to ensure that FET courses are market relevant and supply the current and emerging skills needs of enterprises:

²² There is similar evidence in Eurofound 2013 studies based on the fifth wave of European Working Conditions Survey, and in CEDEFOP.

We explored the attitudes and behaviours of 2,700 employers and divided them into three categories finding that large, medium, and small companies are represented similarly in each of the segments.

Among a stalled segment, which represents nearly 44 percent of employers, there is an almost cavalier attitude to hiring. Fewer than half rate hiring factors as important, they are less likely to train their talent, less willing to pay for it, less likely to interact with education providers and, when they do, less likely to say it was effective.

Among a second segment in neutral gear, representing approximately 25 percent of the employers surveyed, recruiting and hiring are taken seriously, they are doing the right things, but without enough intensity and frequency but they are not seeing great results. They interact with education providers, coordinate within the industry and reach out to youth more than the stalled group but not with the intensity and conviction that bring them real results.

This happens for the third or racing segment, into which 31 percent of respondents placed themselves with their answers. These employers cruise the education-to-employment highway with confidence and skill. They regard hiring and working with educational institutions as highly important and act accordingly. They are highly likely to offer training to their employees and to provide that training through a program coordinated within their industry and having worked with educational institutions on areas like curriculum design or on ensuring that instructors have relevant industry experience.

(edited excerpt from McKinsey and Company, 2013: 43).

It is clear that, in seeking to understand and address the skill needs of enterprises serving the domestic and local market, greater attention needs to be paid to differences among employers in how they focus and address their skill needs.

3. 4. Employability and FET provision at Levels 1-3

3.4.1. Employability thresholds

Generally, enterprise is not keen to recruit people directly from community education and basic education programmes when participants complete them with awards below Level 3 or none at all. Placement in employment after course completion for those who achieve Levels 1-2 may occur and be appropriate for some individuals but, generally, it is preferable and in learners' longer term interests - and in the interests of the economy - that progression first occur to higher levels.

In bringing people with literacy deficits and low levels of formal educational attainment to re-engage with learning, adult literacy and community education programmes make a significant contribution to workforce development. They enable people to acquire the confidence and basic skills needed to lead fuller lives as citizens in the first place and, by doing so, to ambition the independence of paid employment. The modern definition of literacy includes the capacity to read, understand and critically appreciate various forms of communication including spoken language, print, broadcast

media, and digital media. These skills are integral to the generic skills required in the modern workplace such as reading, writing, technological literacy, communication, interpersonal and team-working skills which cannot be developed without developing the fundamental capabilities encompassed by the modern definition of literacy.

Industry, therefore, has a high regard for the developmental work carried out on adult literacy and community education programmes. Employers frequently emphasise the extent to which new technologies and modes of doing business are bringing with them higher skills requirements, even in occupations traditionally considered 'low skilled'. They contribute a characteristic emphasis on numeracy which they stress should be now understood as not just the ability to use numbers but the wider ability to use mathematics to solve problems and meet the demands of day-to-day living. More problem-solving in the modern workplace require employees to be confident in using numbers to organise and analyse information.

What employers are keen to promote in adult literacy and community education, they are also in need of for significant numbers of their current employees. Literacy and numeracy deficits surface frequently in EGFSN reports as barriers to labour market entry and progression. The context is that 18 per cent of the total *at work* in the Irish economy – i.e., 324,000 people in Census 2011 – have a lower secondary education or less as their highest educational attainment. While many will have acquired significant skills on the job or in other ways since finishing their formal education, the retention of employment for a large number of them hinges on their being able to up-skill. Where employees have difficulties with literacy (including digital literacy), numeracy and communications, they will struggle to adapt to changing work practices, be unlikely to participate in training that would increase their transferable skills and run a high risk of losing their current employment. Should they do so, their re-employment prospects will be extremely poor until FET, somewhere, somehow, engages them and enables them to address their basic deficits.

For example, the EGFSN in a 2013 report identified significant proportions of low-skilled workers (with less than Junior Cert qualifications) across five sectors in Irish manufacturing – 21 per cent in the consumer products sector (3,200 employees), 15 per cent in engineering (3,900), 28 per cent in the remainder of manufacturing (5,900 employees) and smaller numbers of low skilled in Pharma Chem and the ICT hardware sectors. It emphasises that the up-skilling of these vulnerable groups is essential to stem the flow of low-skilled people onto the LR. In a 2012 report on the food and beverage sector, the EGSN found that, of approximately 50,000 people employed, some 10,200 (21 per cent) had only primary or lower secondary level education. It recommended an up-skilling programme for operatives, to equip them with transferable skills that would enhance their employment prospects. In the retail and wholesale sector, EGFSN research in 2010 identified that approximately 14,270 (6 per cent) employees had not completed primary education, while 30,350 (16 per cent) retail employees and 8,177 (17 per cent) wholesale employees had lower secondary education as their highest educational attainment level.

3.4.2. Issues arising

SOLAS and the ETBs should be encouraged to adopt some specific procedures through which EGFSN analyses of the vulnerability of low-skilled employees leads to a targeted response. There are examples on which to build. For example, in the wake of its 2009 report on the food and beverage sector, the EGFSN was invited to outline the skills deficits of operatives in the sector to VEC Adult Education Officers. It provided a list of food manufacturing companies broken down by the (then) 34 VEC regions. Subsequently, the Skills for Work programme of the VECs targeted the food sector and was able to report back to the EGFSN in 2012 that nearly 900 participants from the sector achieved FETAC Level 3 accreditation in 2012. An important national organisation on which the ETBs should draw is Skillnets, which is expressly in the business of up-skilling those at work and accustomed to developing networks on a regional as well as a national sectoral basis.

SOLAS and the ETBs should also carefully examine Skills for Work to ensure it has the coverage, versatility, focus and resources that will enable it to provide, in close co-operation with National Adult Literacy Agency (NALA) and AONTAS, the tailored, intense and prompt provision of literacy, numeracy and basic education that will enable high-risk employees to remain in employment. This should be done in the wider context of a consensus that state provision for tackling literacy and numeracy deficits at the current time should be more targeted with more intense provision for people in the workforce (at work and unemployed) and for younger cohorts (those with decades of workforce participation ahead of them) receiving priority.

Effective implementation of the recognition of prior learning (RPL) is important in enabling people at work who have acquired significant experience and skills to access VET opportunities and increase their mobility in the job market. In the retail sector, for example, EGFSN described RPL as in its 'infancy' though with major scope and need for rapid development (2010: 114). RPL, however, can be costly and time-consuming for providers to implement and, where potential course applicants are long-term unemployed, there seems a clear case for state support to ensure RPL is carried out.

3.5. Forms of employer engagement

As is already clear, employers engage with publicly-funded FET provision in multiple ways. Principally through representative bodies but also in an individual capacity as companies prominent in their sectors, they are consulted and advise on the formation of national policy for FET and have made significant submissions to DES on the establishment of SOLAS and the ETBs. Their on-going participation on the EGFSN is particularly important and a stronger focus by the EGFSN on domestic sectors and local markets, which has been argued for above, will provide further stimulus and opportunities for employers to articulate their expectations and express their views on the FET that the future requires.

Employers are also involved in sectoral groups and individually with programme design and evaluation through, for example, their formal role in the national apprenticeship scheme and the review of it currently underway, their participation on the Standards Development Groups of the QQI, their lead role in initiating Skillnets networks, the curricula and pedagogies they have developed through FIT Ltd, their advice on the design and participation in the monitoring of new programmes such as Momentum, and much else.

By far the largest number of employers, however, have contacts with publicly-funded FET provision that are one-to-one with particular providers and tailored to unique relationships that have arisen from, respectively, their needs for specific skills sets at a point in time and providers' requests on behalf of their current learner's/trainees needs for work experience and, ultimately, employment. As the number of FET learners has grown and the domestic economy remained depressed, employers have come to experience a growing volume and intensity of requests from a variety of public providers (DSP/Intreo, individual VEC centres, Momentum projects, Local Employment Services Network, CE sponsors, etc.) being made on them and, frequently, on behalf of the same unemployed people.

Table 3.3: Employers and publicly funded FET.

In your opinion, how important are the following ways in which employers can act to improve the quality of publicly funded further education and training?								
	Important and currently doing it		Important, but not in a position to undertake it		Not important		Total	
	No.	%	No.	%	No.	%	No.	%
Providing work experience / internships for trainees / learners	164	61%	100	37%	7	3%	271	100%
Supporting business bodies in influencing government policy	122	46%	138	52%	7	3%	267	100%
Providing company visits, career talks, etc.	104	39%	139	52%	23	9%	266	100%
Influencing the curriculum / content of what is taught	51	19%	204	76%	14	5%	269	100%

Source: IBEC Business Sentiment Survey, Q2 2013

IBEC members, in the June survey already introduced above, were asked their opinions on the most important ways in which employers can act to improve the quality of publicly-funded FET. Encouragingly, over 60 per cent considered it important to provide work experience or internships and were currently doing so, and a further 37 per cent considered it important that this should be done though they were not in a position to currently provide it themselves. A more challenging finding, however, is that 76 per cent regarded the ability to influence the content of what is taught as important *and* stated they were not in a position to do so (nearly four times as many as the 19 per cent who believed it important and were currently exercising this influence).

Dual training systems

The influence of employers on the content and pedagogy of FET provision is particularly assured on programmes such as apprenticeships and traineeships and where providers are industry-led (e.g., Skillnets, FIT Ltd., etc.). It appears weakest where relatively long educational programmes are concerned. This is a particular invitation to QQI and SOLAS to revisit the effectiveness with which employers are consulted in the design and approval of awards while it is also, clearly, a major reminder to ETBs and their individual centres of provisions (FE Colleges, former FÁS training centres, etc.) to engage early with employers as courses are being planned and long before they seek work experience or employment opportunities for their learners/trainees.

More generally, this review found widespread appreciation of the advantages of dual training systems, where periods of workplace-based experience and learning dilute an exclusive reliance on classroom-learning. They are valued for bringing instructors/trainers and companies into closer interaction, making the relevance of training more transparent to participants, thus enhancing their motivation, and for providing employers the opportunity to observe the qualities of potential future employees. The wide consensus on the value of dual-based pedagogies in FET, however, is not matched by the scale and effectiveness with which it is being provided. The constraints are various and need to be individually identified and addressed (e.g., procedures that are overly cumbersome; lack of capacity in smaller companies to provide appropriate supports; lack of expertise and flexibility in providers to engage with companies; employers and providers, alike, for whom the commitment is nominal rather than real etc.).

As this review was being finalised, IBEC presented a case for a new model of professional traineeships based on the interaction between work and education that will provide foundation and professional traineeships at Levels 5 and 6 respectively as well as more advanced traineeships at Levels 7-9.²³ SOLAS and the ETBs should seize on this opportunity to add what would be a high-status addition to their menu of provision and, as noted by IBEC, to earn income from employers as well by providing training from which employers can confidently expect solid returns.

Among domestic and local employers, however, the realisation was more often voiced that they do not have a monopoly of insight into the emerging skills needs required to support dynamic and resilient local economies or to underpin individuals' lifetime employability. The hope was more often expressed that collaboration and interaction between stakeholders in the regional economy, FET providers and labour market experts would contribute to developing the local skills pool to the benefit of both their businesses and their employees' futures.

Working with and through the ETBs

In acquiring the training functions of the former state's training authority (FÁS), the ETBs are, in effect, assuming the role of workforce development agencies for their catchment areas. They are to 'build a vibrant skills and training sector that is well integrated into the overall education sector' and delivers programmes that are 'relevant to the needs of both learners and the economy' (Minister for

²³ IBEC submission to consultation on Government review of apprenticeships (September 2013)

Education and Skills, 13/09/2012). To do so they must develop close and effective relationships with employers in their catchment areas and facilitate employers influence on the content and delivery of their FET. This will not be easy and many employers believe that the ETBs come to this task poorly equipped by virtue of their wide spread of functions, composition and starting capacity to discharge it.

The ETBs continue to have major responsibilities for maintaining and growing primary (community national schools) and secondary school provision (258 schools and colleges) as well as for adult education and lifelong learning that have social and not workforce objectives (e.g., the social inclusion needs of the elderly). By virtue of their board composition and because the large majority of their staff and management come from the VECs, the starting point of ETB culture and practice is one of greater familiarity and ease with promoting education and responding to the needs of learners than with understanding the economy and helping jobseekers and employers accordingly. The logic that led to sixteen rather than another number of ETBs being established had primarily to do with balancing the quest for greater efficiencies and reducing duplication in service provision to schools and with the extent of redeployment that it was feasible to ask of serving staff. The identification of functioning labour market areas was simply not part of the process and the boundaries of the ETBs align only very loosely with regional and local labour markets. Many employers are of the view that the boards of the new ETBs will have to move rapidly and put in place an appropriate advisory infrastructure for identifying the FET needs of their regions' workforces.

3.6. Summary of main findings and recommendations

	Findings	Recommendations
1	There is scope for greater linkages between FET and exporting sectors' skills needs.	EGFSN findings on exporting enterprises' needs for intermediate and foundation skills should be communicated more vigorously, and curricula with the required detail should be developed in response.
2	In the domestic economy, significant numbers of enterprises are not aware of their skills needs and do not have a developed competence in human resource management.	SOLAS should be proactive in encouraging higher skills more generally within the domestic sector and greater engagement with FET. The skills framework sketched in the 2010 EGFSN report for the wholesale and retail sector should be adopted as a template for other large domestic sectors.
3	Existing national and sectoral skills strategies are undermined by the absence of regional or local forums for engaging with employers and providers.	Sectoral skills framework, in their development, adoption and implementation, should seek engagement with local and regional employer bodies.
4	Employers engagement is assured on programmes that are industry-led and, more generally, there is widespread appreciation of the advantages of dual training systems.	A new model of traineeships/apprenticeships which is enterprise-led and flexible enough to respond to the skill needs of the Irish economy should be developed.
5	Data inadequacies exist on the labour	The SLMRU should be resourced to provide ETBs

	market requirements of local employers, particularly of small non-exporting SMEs.	with regional labour market profiles that contain as much local labour market intelligence as possible. Intreo and ETBs should develop a demand-side advisory structure to engage with employers and economic development stakeholders.
6	There is a large degree of labour mobility in Ireland which contributes to the maintenance of generic workplace skills, but also makes sustained employment and the development of occupation-specific jobs difficult for a significant number.	SOLAS should pay attention to the differences between employers in respect of their skills needs at local, regional and national level. ETBs should be proactive in encouraging local employers to raise their demand for higher skills, utilise existing employee skill sets to the full and move to more high-skilled business models.
7	'Soft skills' are important to employers in filling entry-level jobs, while also being skills which long-duration unemployment does much to erode.	The general and occupation-specific meaning of 'soft skills' should be a research priority for SOLAS, and their acquisition should be embedded in occupation-specific FET.
8	Sizeable numbers of workers in domestic sectors are below Level 4 on the NFQ and have basic literacy/ numeracy deficits.	SOLAS and the ETBs should raise awareness among employers and people at work of in-work basic skill programmes, while simultaneously improving them.
9	Employer confidence is lacking in much of the certification accompanying FET.	The volume and competence of employer input to QQI's Standards Development Groups should be improved, and industry accreditation should be aligned more speedily with the NFQ.
10	The ETBs, under the guidance of SOLAS, are in effect assuming the roles of workforce development agencies for NFQ Levels 1 to 6 at the regional level.	A major updating of the National Skills Strategy should accompany the establishment of SOLAS and the ETBs.

4. The needs and abilities of the unemployed and FET

4.1. Some context

The speed with which unemployment rose in Ireland since 2008, its high level and the main features of its composition have been well documented (e.g., DSP, 2012). In the space of just over four years, the employment gains of ten years were lost and the numbers of unemployed almost tripled. This pushed up expenditure on unemployment compensation and increased the demand for opportunities to re-skill and up-skill, each within the wider context of major public sector retrenchment. People in the workforce have been affected hugely differently, depending on the sector of the economy in which they worked (or were preparing to enter), their level of educational attainment, their age, their gender, their nationality and the region and neighbourhood in which they live.

The data on how the recession has affected the different age groups in the workforce are particularly evocative (Table 4.1)

Table 4.1: Employment, participation and unemployment rates by age group: 2008-2013¹

Age group	2008	2013	Change	2008	2013	Change	2008	2013	Change
	Employment rate (%)			Participation rate (%)			Unemployment rate (%)		
15 - 19 yrs	21.4	9.8	-11.6	24.8	17.2	-7.6	13.6	42.9	29.3
20 - 24 yrs	68.0	49.0	-19.0	74.3	66.2	-8.1	8.5	26.0	17.5
25 - 34 yrs	80.9	70.9	-10.0	85.3	83.0	-2.3	5.2	14.6	9.4
35 - 44 yrs	77.7	72.0	-5.7	81.1	81.7	0.6	4.2	11.8	7.6
45 - 54 yrs	75.2	69.3	-5.9	78.2	78.0	-0.2	3.9	11.2	7.3
55 - 59 yrs	60.5	59.8	-0.7	62.6	67.1	4.5	3.4	10.9	7.5
60 - 64 yrs	46.3	40.8	-5.5	47.2	45.4	-1.8	1.8	10.2	8.4

Source: QNHS

Note: 1. Q1 2008 and Q2 2013, ILO rates.

The young (aged under 25) experienced the largest drop in employment of all the age groups, a shock that precipitated the largest falls in labour force participation also – many have remained in education longer than they might otherwise have done, returned to education or sought work abroad (emigrated) as their way of ‘sitting out’ the recession. Despite this major flexibility on their part, those that remain in the labour market have the highest rates of unemployment of all age groups. As the exceptionally high rate for 15-19 year olds (43 per cent) applies to the 17 per cent participating in the labour market, this means that just 7 per cent of this age group are unemployed (their unemployment ratio). By contrast, almost one in five (17 per cent) of those aged 20-24 are now openly unemployed.

The terms and conditions governing the eligibility of those under 25 to unemployment compensation have been tightened by more than for other groups yet, with a lag of up to a year as each new cohort leaves the educational system and sorts itself out, the numbers of labour force unemployed young people and of those on the Live Register (LR) become closely aligned. It is fair to deduce that most of the young with alternatives to being on the LR typically avail of them within a year and that those who remain on it longer than 12 months are at exceptional risk of facing 40 years or more of low-grade employment interrupted by spells of unemployment. Over the period 2009 to 2013, there was an increase from 17,200 to 22,500 in the number aged under 25 on the LR for more than one year and they grew to account for 35 per cent of all the young on the LR as against 20 per cent at the beginning of the period (Table 4.2). The number three years or longer on the LR more than tripled to over 8,000.

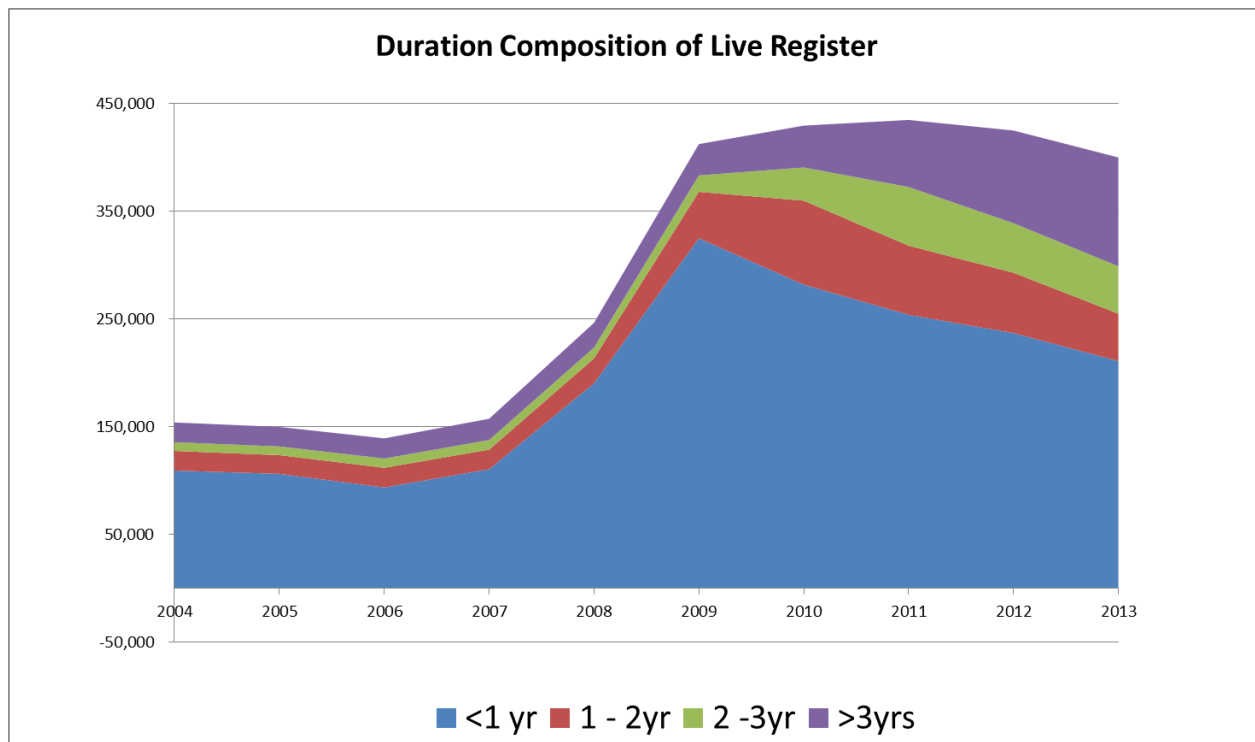
Table 4.2: Live Register numbers by age and duration of claim, 2013 and 2009.

	2013H1					
	Under 1 year	1 year - less than 2 years	2 years - less than 3 years	3 years and over	All durations	
Under 25	42,479	9,459	4,963	8,059	64,960	15.6%
25- 34years	73,813	13,745	9,959	25,764	123,281	29.5%
35 - 44 years	51,525	11,142	9,044	23,407	95,118	22.8%
45 - 54 years	37,125	8,425	6,979	20,426	72,955	17.5%
55 -64 years	26,588	8,839	7,123	18,729	61,279	14.7%
All ages	231,530	51,610	38,068	96,385	417,593	
	55.4%	12.4%	9.1%	23.1%		100%
	2009H2					
	Under 1 year	1 year - less than 2 years	2 years - less than 3 years	3 years and over	All durations	
Under 25	67,769	11,318	3,244	2,617	84,948	20.6%
25- 34years	110,031	12,231	4,142	6,623	133,027	32.3%
35 - 44 years	69,671	8,925	3,350	7,108	89,054	21.6%
45 - 54 years	47,107	5,975	2,525	7,711	63,318	15.4%
55 -64 years	30,416	4,637	1,974	5,033	42,060	10.2%
All ages	324,994	43,086	15,235	29,092	412,407	
	78.8%	10.4%	3.7%	7.1%		100%

Table 4.2 makes clear, however, that the much larger absolute numbers on the LR are those aged 25-54. In the first half of 2013, less than 16 per cent on the LR were aged under 25 years while 52

per cent were aged 25-44, i.e., at stages in the lifecycle typically associated with major financial needs (arising from starting a family, taking out a mortgage, and other financial commitments). It also clear that the incidence of long-term unemployment and of very long durations (continuous spells of three years and over) rises sharply with age. Table 4.2, in fact, tellingly portrays the extent to which the duration of unemployment on the LR has soared as over a relatively short period of time; for example, less than 7 per cent of spells were of three years or longer in the first half of 2009 but 23 per cent of spells were of this duration in the first half of 2013. This is portrayed visually in Figure 4.1.

Figure 4.1: Numbers and duration composition of the Live Register, 2004 – 2013.



4.2. Findings

There are different reasons why unemployed people and, in particular, the long-term unemployed (LTU) may not come forward to enrol even when further education and training (FET) is available. Many of the obstacles identified during consultations have strong echoes in the literature and are challenges to FET providers and labour market authorities across the EU and OECD. Despite the obstacles, however, instances of FET provision were also identified which prove able to surmount them and enable even the LTU to complete courses satisfactorily and either find jobs or progress to complementary learning that positions them to do so.

In the first place, it needs to be acknowledged that a number will lack interest in FET because they lack interest in taking a job in the first place. In their instance, referring them to a particular

education or training course functions partly as a test of their availability for work. Should enrolment follow, however, and individuals participate in training purely to protect their social welfare incomes, there can be significant downsides for the teachers/instructors and other learners involved. Course completion and the subsequent use in a job of what is taught also become less likely. FET providers, therefore, have a particularly strong and legitimate interest in ensuring that they are able (have the space) to transform 'referrals' to them into genuine 'applicants' to courses which individuals are motivated to complete. In this context, the protocols being developed between Intreo at the divisional level and the new Education and Training Boards (ETBs) assume major significance. On the one hand, the keenness of providers to maintain a good learning environment and contribute to good outcomes for learners and employers requires active selection of people for courses but without this degenerating into 'creaming'. On the other hand, the DSP/Intreo has a strong right to seek opportunities for its clients to re-skill and up-skill but without 'using' periods of participation on courses to identify whom should not really have been its clients in the first place. It is primarily at the local level and on the basis of trust and communication as well as of mutually developed protocols that the interface between the control functions of the DSP and enrolments in FET is best handled.

The general estimation of those consulted, including in the DSP, however, is that the number of determinedly unwilling learners is small and that the far greater challenge for FET providers is the much larger numbers of unemployed people who do not know the potential value to them of FET or believe it is beyond them, find themselves on courses for which they are unsuited, or who are unable to sustain the costs and demands of participating in FET even though they are enjoying it and realise it is of benefit.

There can be a strong belief on the part of the low skilled unemployed that FET is 'not for them'. This is, frequently, because of their previous poor experiences of formal education. Ireland does not participate in Eurostat's *Adult Education Survey* but the indications are that its findings apply fully to Ireland too. Across the eighteen countries that participated in 2007, the lower educated were much more likely than the general population to believe that they do not have what it takes to complete FET successfully, lack confidence in the idea of going back to something that is like school, and regard their health or age as an impediment. The lasting effects throughout adulthood of school experiences when young explain much of the 'Matthew effect' observed in participation rates in life-long learning in general, i.e., the already better educated participate more while the least educated, despite their greater need, participate less. The review of progress in implementing Ireland's National Skills Strategy found the least progress was being made in bringing those below Levels 4/5 on the NFQ up to those levels, while bringing people from Levels 4/5 to Levels 7/8 was proving easier.²⁴

The belief that FET is 'not for them' can be further reinforced in a significant number of the LTU by their age (40 per cent of those who are three years or longer on the LR are aged 45 or older) and the widespread belief (in which they share) that receptivity to training and flexibility in adapting to technological and organisational developments affecting the workplace are greatest among the young. A significant body of international evidence attests to employers' tendency to invest less in

²⁴ Expert Group on Future Skills Needs (2013), Statement of Activity 2012, Dublin: Forfás.

workers above the age of 45 because there are then shorter periods within which to make a return from their investment than in the case of younger trainees (CEDEFOP, 2011; Heckman).

The low skilled unemployed are frequently at a particular disadvantage in understanding the potential of FET to improve their employment prospects and in choosing the course or programme that will deliver for them. It is not unusual that there are few in their extended families and network of friends with the necessary experience of FET to guide them, the full range of what is on offer may be unknown or poorly explained to them, evidence of the outcomes associated with different courses is hard to come by and they can be easily steered to fill courses that happen to be available rather than to those that will deliver for them. When unemployed people realise that a course on which they participated was closely linked to real employment opportunities, even if employment does not immediately result, they are likely to be seeking it more confidently. On the contrary, if they come to believe their course had little to do with real jobs, they will be no less confident in job searching than before and a new wariness of FET will be added to their previous poor educational experiences. The lack of information and of tailored independent advice with which many of the low skilled unemployed decide whether to 'return to school' or not is, again, the joint responsibility of DSP/Intreo case officers and the ETBs to address, and recommendations are advanced below.

Groups of the unemployed might have similar socio-economic characteristics and have worked in similar sectors of the economy but what they are motivated and interested to do might still be hugely diverse. Even within priority LR cohorts tightly defined on the basis of administrative data, major heterogeneity still survives in the aptitudes and interests of individuals for different FET courses (and, thus, in their likelihood of completing them successfully). For example, among males, aged 25-44 who were previously employed in construction and have been three years or longer on the LR, there are individuals with the aptitudes and interests to become, respectively, a horticulturist, call centre worker, chef or home care worker. This implies that the identification of priority cohorts on the LR does not map into priority occupations or domains of study for the cohorts in question. Such priority occupations and domains for study need to be based on analyses of the national and local economies and the employment openings that will arise in ETB catchment areas. Priority cohorts among the unemployed (such as the growing number three years and longer on the LR) need that courses targeting specific skills deficits should be designed and delivered with them in mind in the sense that they incorporate appropriate supports and pedagogies to ensure they also can enrol and benefit from them. In short, priority cohorts among the unemployed share the need for similar supports across courses more than they need the same courses.

The failure to complete a course may reflect an overestimation of a person's preparedness and aptitudes for the course content in the first place. It may also reflect the simple inability of the course provider to provide supports that enable the trainee, otherwise suited to and benefiting from the course, to absorb essential costs and balance its requirements (travel costs, childcare, independent study, travel time) with established commitments (eligibility for continuing welfare receipt including secondary benefits, family and neighbourhood roles). Currently, the extent to which social welfare entitlements are protected, training costs are covered, a financial incentive is paid and training hours can be personally tailored varies widely with the FET programme in question and trainees' difficulties are addressed quite differently.

While these difficulties are considered central to understanding why there are many fewer unemployed availing of FET than need to, there are telling examples of courses which unemployed people, including the 'traditional long-term unemployed', have completed successfully and through which they have found employment. These include specific course organisers within large national programmes (a Community Employment supervisor, a FÁS instructor, etc.) as well as niche or specialist providers (FIT Ltd., Skillnets Job Seekers Support Programme, etc.). Across quite different types of provider, therefore, organisers can be found who have incorporated the counselling, appropriate pedagogies, in course supports, pre-exit preparation and mentoring during the first months in employment that can prove essential to ensuring the socially disadvantaged LTU engage, complete and benefit from FET. Not all providers have this expertise. As noted by the Irish Institute of Training and Development:

Long-term unemployed individuals need a unique approach in skilling which provides counselling supports and appropriate pedagogy. This is a skill set that goes beyond the normal skill repertoire of those involved in FET delivery and those currently involved in conducting assessments and interviews with candidates under the Department of Social Protection. Such people are the 'gatekeepers' for determining access to re-skilling/up-skilling opportunities. It is vital, therefore, that they acquire these skills. (Submission to SOLAS consultation, March 2012).

A particular tension was noted, at the same time, when providers commit simultaneously to enrol more socially disadvantaged LTU and to work closely with industry. The more employers share the cost of training and engage in providing work experience, curriculum support, staff mentors and the like, the more they want to ensure a return on their investment. Providers that want their close engagement with employers to continue must carefully select and prepare their participants. They know the employer is, in effect, their principal client and that they have to show they can deliver the employees being looked for. Unless trainees are selected on the basis of their aptitude for the training and capacity to benefit, employers lose their investment and the provider the level of employer engagement that enables them not to disappoint the unemployed when they enrol.

In summary, it is difficult in many instances to 'reach' the LTU and to convince them of the value to them of FET even when relevant courses are available. This is a challenge which DSP/Intreo and the ETBs must address together. The numbers not really seeking employment in the first place and who participate in FET only to protect their Jobseeker's Allowance (JA) are small. They should not be allowed to shape the protocols and procedures that are adopted. It is more important to shape them around a thorough understanding of the reasons why the LTU may believe FET is not for them and unlikely to bring them employment even if completed.

Too many of the LTU are unaware of the potential benefits to them of FET, uncertain about what they would like and need to learn, and have no one in their extended family or circle of friends with appropriate experience to encourage and advise them. Too many perceive their bleak employment prospects as beyond the power of FET to change, believe the courses offered them are irrelevant to mainstream jobs, see themselves as incapable of the learning required (low self-confidence, low self-esteem, literacy and numeracy problems, negative previous education experiences), are unable to absorb even modest costs associated with course participation, or have acquired caring and other roles in their household and community that make time and space for learning difficult. Some FET

providers do, and some do not, understand what it takes to match people who are LTU with courses for which they have the necessary motivation, aptitude and preparedness to complete successfully. Some providers undertake, and some do not, to work with the LTU who complete their courses to help them secure and hold employment.

Further qualitative research that includes examining previous experiences the LTU have had of participating in FET as well as their current expectations and the reasons why some courses and providers have delivered better outcomes for them others should be a priority for SOLAS.

4.3. Strategic perspectives

FET and workforce development

People of working age can be in work, unemployed or classified as outside the labour force ('inactive') and have a need for appropriate FET in each state. People at work may want to engage in on-the-job training or evening courses in a bid to make their current jobs more secure, better paid, more interesting or to switch to better jobs elsewhere. Unemployed people may want FET in order to re-skill or up-skill. People may currently be technically classified as outside the labour force because their commitments make them unavailable for full-time employment immediately or because they judge the current state of the labour market makes it a bad time to search for employment but their clear intention is to take employment when conditions improve and they want FET in the meantime.

A FET system that plays its full role in maximising employment levels will be one that supports those at work to increase their productivity and earnings, those who are unemployed to re-skill and people of working age outside the labour force to become prepared and ambitious to join it. It is a particularly important feature of how labour markets work that when high-skilled workers find employment commensurate with their skills, downstream employment opportunities improve for the lower skilled also, while the reverse does not hold. It follows that FET interventions on behalf of different groups in the workforce are interconnected and that what is achieved, or not, for one group can affect the effectiveness of measures taken on behalf of other groups. For example, interventions that make the difference between third level graduates getting jobs commensurate with their skills levels rather than emigrating or remaining in 'home duties' strengthens the labour market for the lower skilled also. Conversely, interventions based on shifting resources from training the low skilled in work to training the low skilled who are unemployed, or from training low skilled 'inactive' to training low skilled on the LR, must reckon with increased inflows to the LR unemployment as, at least in part, offsetting any increased outflows.

At any one time, there are high levels of movement (or 'transitions') as individuals at *each* skill level (high-skilled, intermediate-skilled and low-skilled) move between jobs, between returning to full-time education and remaining in employment, and between remaining unemployed and engaging in FET that up-skill or re-skills them. For people who are low-skilled, it is particularly important to keep the full range of these transitions in mind as they are particularly likely to change jobs and to experience unemployment, while significant numbers also leave their jobs for study (Table 4.3).

Table 4.3: Movements to Unemployment and for Study from Selected Occupations during 2012.

	In employment	Leaving employment for unemployment	Leaving employment for study
Elementary occupations	205,000	20,000	12,400
Process, plant and machine operatives	140,000	10,000	1,900
Sales and customer service occupations	160,000	12,500	10,000
Caring, leisure and other service occupations	145,000	12,000	3,900

Source: *National Skills Bulletin 2013*

In pursuit of the objective that the low skilled should be particularly likely to participate in FET once they become unemployed, it is important that their access to FET if they are in work or jobless without being on the LR is also protected. There are ‘potential LTU’ among the low skilled at work being helped to stay in employment by programmes such as Skills for Work and Skillnets Training Networks. There are ‘concealed LTU’ among the low skilled inactive being helped by adult literacy and community education programmes to begin actively job-searching (they become LFS unemployed) or take an immediate opportunity for paid hours (they become ILO employed). There are ‘future LTU’ among disadvantaged early school leavers and among young people choosing not to go to third level being helped by programmes such as Youthreach and Community Training Centres (CTCs) or Post Leaving Certificate (PLC) courses, apprenticeships and traineeships, respectively, to improve and widen what is on offer to them.

Mandatory employment or further education and training (‘work first vs. ‘train first’)

There are different types of unemployment: cyclical unemployment arising from swings in the business cycle, frictional unemployment arising from the number of workers in transition between jobs, voluntary unemployment arising from greater social protection out of work than in work, long-term unemployment arising from prolonged recession, and structural unemployment arising when unemployed people lack the skills employers are looking for and remain without job offers even when aggregate demand grows and employers are recruiting.

The actual levels of unemployment that confront policy makers typically contain elements of each type, and effective strategies for tackling unemployment respect and allow space for the action of different instruments²⁵. This is what Pathways to Work and the government’s wider Action Plan for Jobs seek to acknowledge and address. Within their frameworks, FET is called on to play a specific

²⁵ Unemployment compensation in acting as a demand stabiliser and protecting living standards; job-matching and job placement services in reducing time between jobs; measures that boost the demand for labour and reduce the costs of hiring; ensuring work pays and reducing unemployment and poverty traps created by the interaction of the social welfare and tax codes; expanding opportunities for work experience and direct employment; increasing access by the LTU to FET that improves their skills.

role in helping to prevent the emergence of structural unemployment out of the current high level of long-term unemployment. As an indispensable part of national recovery after an unprecedented economic collapse, the new ETBs and SOLAS are being asked to multiply opportunities for unemployed people, particularly the LTU, to acquire market-relevant skills that will bring them employment as the economy recovers.

It is for Intreo and the ETBs to develop procedures with which each is happy as to when the same income support being provided by the taxpayer functions effectively as a 'job search allowance' (i.e., supports active and effective job search) or as a 'training allowance' (i.e., supports the acquisition of market-relevant skills that will shorten unemployment). Each is being asked to ensure that the same money for the same individual is effective on that person's behalf and on behalf of the taxpayer.

Matching unemployed people to courses that deliver for them

The role which good guidance plays in ensuring that unemployed people identify courses they are motivated to undertake, capable of completing, market relevant and delivered with the necessary supports, was emphasised by all stakeholders during the preparation of this review – those working for the unemployed, the DSP, employers and FET providers of different sorts. If unemployed people enrol on courses in which they have little interest, for which they are not suited, to which they are assigned by providers purely to fill available places or which they undertake purely to protect their welfare entitlement and without a real underlying interest in employment, the likelihood is large they will not complete their courses or, if they do, not use what they have learned in a subsequent job. This is waste. On the other hand, when individuals are guided to courses for which they are suited, course selection is more likely to lead to course completion and to the actual application in employment of the knowledge and skills imparted.

Effective guidance helps ensure a return to the taxpayer from the use of public funds. Some hallmarks of quality advice and guidance are that it is independent, focussed on the individual, free of institutional bias and deeply informed by labour market intelligence (OECD, 2013).²⁶ Some of these elements are operative in several niche guidance services in Ireland – for example, in the roles of VECs' Adult Guidance Officers, the Job Coach for people with disabilities in the Employment Support Scheme and Mediators in the Local Employment Services Network (LESN). The element most needing reinforcement is, typically, knowledge of employer needs and of the developing world of work (Kis, 2010).²⁷ Adult education guidance is sometimes focussed as wholly independent of a vocational element. Effective guidance for the unemployed needs to inform them well about the requirements for success in contemporary workplaces, help them assess their capabilities and the skills deficits they need to make up, and to adopt job and career expectations accordingly.

There are different but legitimate perspectives on the part of ETBs and the DSP/Intreo, respectively, on how the long-term unemployed should now be routed to FET from which they benefit to gain employment. The DSP/Intreo is concerned that the LTU may be sent to the 'back of the queue' for

²⁶ OECD (2013), *Tackling Long-Term Unemployment Amongst Vulnerable Groups*, Paris: Organisation for Economic Co-operation and Development.

²⁷ Kis, V. (2010), *Learning for Jobs: OECD Reviews of Vocational Education and Training*, Paris: Organisation for Economic Co-operation and Development.

the better quality courses, or encouraged to hold unrealisable expectations of the training they will be able to complete and the jobs they will be able to enter. FET providers are concerned that unemployed may be put onto courses for which they are unable, with damaging consequences for the individuals concerned, the employers who support the courses and other learners. Concerns were frequently expressed by FET providers during the preparation of this review at the scale of DSP/Intreo's current ambitions and targets for matching its clients with appropriate FET and at its ability to acquire staff in sufficient numbers and with the requisite capabilities without drawing to a greater extent on the resources of the FET system itself.

There is admiration for the clarity of the protocol established between the DSP and Skillnets. It establishes that Intreo case officers are the final arbiters of welfare recipients' eligibility to retain entitlements if participating in Skillnets training programmes but that, once eligibility is established, Skillnets training network managers are the final arbiters of who participates in training, based on each programme's selection criteria. By contrast, significant concern has been expressed with the haste with which participants for Momentum projects were identified and enrolled in several instances.

Routing more LTU people through FET to employment is a shared and highly motivating objective for staff at the local level in both DSP/Intreo and the ETBs. It is important that protocols and procedures are further developed and improved that enable their collaboration to have maximum impact.

Traditional LTU or new LTU?

As unemployment remains high and becomes more long lasting for a growing number, the need to target publicly-funded FET more effectively on the unemployed and the LTU in particular has become clear. In the search for the best manner in which to do so, a distinction is sometimes made between the 'traditional' LTU and the 'new' LTU. The former have low educational attainment (Junior Certificate or lower) and either remained jobless or held jobs only intermittently and usually of poor quality during the boom. The latter have, at least, completed secondary education and enjoyed steady employment, frequently with good earnings, during the boom. This underlines both the scale and the complexity of the challenge of improving activation and FET provision for the LTU.

A strong argument in favour of targeting the 'traditional' LTU is that, otherwise, 'long' in their case will become very long indeed. The first into LTU, they will be the last out because their underlying skill sets are so weak. In the decisions employers and providers make as to whom to train, just as in the queue for jobs, they are, consistently, the least attractive candidates. When aggregate labour market demand was strong and unemployment low, the preferred candidates came from the ranks of better educated 'inactive' cohorts, people deciding that the time was right for them to enter the workforce, and from better educated immigrants. Now that unemployment is high and a major national policy concern, the preferred candidates tend to come from the ranks of the recently unemployed and the unprecedented number among the LTU who have some form of post Leaving Certificate education. In both scenarios, the low levels of educational attainment, weak skill sets and established reliance on social welfare with its assorted traps and disincentives are the underlying reasons why this hard core of LTU do not benefit. As new policy measures are introduced and/or labour market conditions improve, there are always others in the unemployment pool better positioned to reap the benefits and who are preferred by course providers and employers.

A strong argument for not seeking to distinguish between traditional and new clients among the LTU is based on evidence that unsuccessful job search and a reliance on means-tested income support over a long period of time can erode anyone's employability, even those with post-secondary educational attainment and who begin unemployment confident in their ability to regain employment within a short space of time. In and of itself, lengthening unemployment erodes the energy, confidence and self-belief that are central to successful job searching and to sourcing and completing quality FET and leads to lower intensity job-search if not its abandonment altogether.²⁸ For this reason, labour market economists caution against interpreting low levels of job search activity on the part of the LTU as evidence that people no longer want a job or are no longer available to take one and it is accepted practice to include 'discouraged workers' in estimates of the true extent of unemployment.²⁹ The significance of this 'hysteresis' thesis for FET is that it suggests that unemployed people may not seek FET for reasons similar to why they give up on job search, i.e., lengthening unemployment undermines the networks, resources, belief and confidence that bring people to FET and support them in completing it.

Within an increased government priority on provision of FET for the LTU it is clear that differentiated interventions are required to reflect the heterogeneity within that overall group—in terms of educational attainment, work history, skill and other attributes.

Career information and guidance in schools

It is not just the socially disadvantaged unemployed who have difficulties identifying courses to which they are suited, for which they have the required capabilities and that genuinely lead to employment. Within secondary schools, students, especially those who do not have strong cultural capital at home to guide their choice of subjects and support them in studying, often fail to make decisions or make poor decisions they come to regret later. Generally, career guidance comes late in the secondary school system and is biased towards third level entry with the result that the options for vocational pathways that are independent of third level are poorly understood. For example, young people (and their parents) can fail to recognise the practical value of a strong foundation in science, technology, engineering and maths (STEM) for a wide range of occupations; they can also undervalue the importance of soft skills in fields such as health care, personal services and tourism. As they enrol in post-secondary learning, they can choose poor return courses partly because the required information is not available and partly because they are easily led by course promotion.

The pivotal role of timely careers advice in the school system, particularly for those not contemplating progression to third level, is one of the key conclusions drawn from a major OECD review of how young people acquire skills that serve them for their working lives:

²⁸ It is, in fact, difficult to sustain the case of basing eligibility to unemployment assistance into a third year or longer on the condition that job searching is continued as a person's core activity.

²⁹ They are now identified in the quarterly national household survey as persons 'available for work but not seeking' and are included in estimates of the potential additional labour force.

Sociological research on cultural capital shows clearly that one source of differential advantage for children from different socioeconomic backgrounds is the different levels of knowledge and understanding regarding schooling and work (Lareau 2003), which can lead to regrets later in life regarding the level of education attained (Halle 1987). Labour market information will not solve problems relating to low job skills but it is hard to envision the problems will be solved without it. ...

[While still in school] students should be provided with a full understanding of the full range of jobs available in the labour market, their entry requirements, working conditions, and monetary and nonmonetary rewards..... This knowledge needs to be provided early enough so that students will be able to use it before facing consequential educational decisions (Handel, OECD, 2012: 83).

In Ireland, there is simultaneously a major emphasis, even pressure, on young people to ambition third level entry and little reliable information and advice on FET routes to good earnings and satisfying employment. The impact of the reduced budgets for career guidance in schools should be closely monitored to ensure that the quality and availability of information and advice is maintained in schools and for the students who need it most.

Students not proceeding directly to third level stand to benefit most from being introduced to the concept and reality of 'career clusters' and 'career pathways'. The first highlight skills requirements that are common across what otherwise appear as different economic sectors or occupations, while the second seeks to link the specific FET courses that enable a person to acquire, in and through a succession of jobs, a sufficiently focussed repertoire of knowledge, skills and competences that increases their earnings and security of employment. The career clusters concept has been pioneered by FÁS to help guide its training centres and trainees and should be developed by SOLAS and placed on a firmer and more widely shared foundation. It has significant potential to communicate to a wide audience how the national economy is currently structured and expected to develop and, thus, to provide learners, parents and trainers/educators with a framework within which to make their decisions. The challenges of reliably sketching career clusters should not be underestimated. In sectors such as information technology (IT) characterised by rapid technological change, wholly new 'occupations' and, consequently, career paths may open up every three to five years. Career paths, it should be noted, are not just national but can have a strong regional and local specificity as well.

4.4. Summary of main findings and recommendations

	Finding	Recommendation
1	Current uptake of FET by people who are LTU is low given their proportion on the LR	FET provision should be more tailored to the needs and aptitudes of the LTU.
2	The duration of unemployment for a growing number on the LR is becoming very long. The LTU are not as homogenous as they once were. This heterogeneity manifests in different FET choices and routes back to employment	Varied interventions are required to tackle the complex mix of ability, prior skills attainment and experience within the LTU. More intense assistance may be required before during and after to ensure course completion and employment or progression.
3	FET is not the answer to all unemployment only to that arising from obsolete or inadequate skills.	It is the responsibility of DSP/Intreo to identify from among its clients those jobseekers that will benefit from further education and training.
4	There are different legitimate interests between on the one hand the right of DSP/Intreo to seek opportunities for its clients to up-skill and on the other hand the rights of FET providers to select clients with a view to achieving good learning and employment outcomes.	It is important that protocols and procedures are further developed and improved that enable the collaboration between DSP/Intreo and the ETBs to have maximum impact. Referrals are the responsibility of DSP but FET providers should be able to select from amongst referrals but not to the extent that creaming occurs. Expertise in the FET sector needs to be transferred to Intreo case officers to make referrals more accurate.
5	Low skilled unemployed may believe that FET is not for them due to poor past experience of education; lack of familial knowledge of FET benefits; inadequate provision of information on offering or outcomes; their age, etc.	DSP need to provide the low skilled with career advice that is realistic, impartial and informed.
6	Allowances paid to those on the LR for FET participation vary widely across programmes.	In principle, FET participation should incur no advantage or disadvantage versus remaining on standard welfare payments. The overall system of income supports should be kept under continuous review to ensure disincentives to participation do not exist.
7	Low-skilled individuals who are not on the LR are also at risk of LTU, notably many of the low skilled in employment and early school leavers.	SOLAS and the ETBs should ensure the appropriate spectrum of provision that enables the low skilled in a variety of situations to re-skill or up-skill and avoid unemployment.
8	Among the LTU, including the very LTU there are now people at levels 5 and higher on the NFQ.	FET interventions for the better educated among the LTU can be highly effective for a relatively low cost.
9	Data inadequacies exist particularly about the experience and views of unemployed participants.	Unemployed participants across all FET programme should be surveyed in an equal manner and on a regular basis. Administrative data sources should be linked where necessary to permit effective evaluation.
10	Among the unemployed and low skilled in work are individuals with significant literacy/numeracy deficits.	The depth of literacy and numeracy deficits must be established. DSP should seek support from adult literacy services, employers and unions in doing so.

5. Principal findings and recommendations

This chapter re-presents the main findings in Chapters 2 to 4 and groups the recommendations that are explicit or implicit in the text under three main headings - what is required for further education and training (FET) to play a stronger role in workforce development (Section 5.1), core functions which SOLAS and the Education and Training Boards (ETBs) need to strengthen in support of all FET programmes (Section 5.2) and adjustments to specific programmes that should now be considered (Section 5.3).

5.1. FET and workforce development

The supply of labour market intelligence to the ETBs

Finding: A wide diversity of employers have skill needs which the FET sector can supply. They are specified and communicated to providers in ways that are also diverse and have very different degrees of clarity and reliability behind them. The most significant strengths of the Expert Group on Future Skills Needs (EGFSN) and the Skills and Labour Market Research Unit (SLMRU) to date are based on their arrangements and procedures for 'listening' to quality employers, multinational and indigenous, who are exporting or have the potential to do so. Their findings that exporting sectors have significant needs for intermediate-skilled and entry level workers are not as widely known as their needs for third level graduates. The higher education sector and the FET sector have complementary contributions to make to national and local economic development.

Recommendation: SOLAS should ensure that the full implications of EGFSN reports for the FET sector and the full extent of the demand for intermediate-skilled and entry-level workers in exporting sectors are communicated to learners and their families, and that curricula with the required detail are developed in response.

Finding: It is difficult for national bodies to identify the skills needs of enterprises (overwhelmingly SMEs) who are principally engaged in serving local and domestic markets. More of these employers are less aware themselves of their skill needs and have less developed human resource management policies than exporting enterprises. Identifying their emerging skills needs is not a precise science –it requires interaction between employers, education providers, labour market experts and international bodies. While employers know most, not all employers know best. Work carried out for the OECD in Ireland points to the need for a greater element of local autonomy and capacity in matching skills demand and skills supply. The capacity to capture and analyse local labour market intelligence as well as to interrogate national developments is necessary in designing the most appropriate FET and activation interventions and monitoring their impacts. Understanding the local labour market and the skills and employment profiles of the unemployed themselves (including any target groups) is particularly important in identifying jobs and sectors for which unemployed people with limited mobility should be trained.

Recommendation: There is a need for the ETBs (and for DSP/Intreo) to receive more systematic and authoritative labour market intelligence on the skills needs of their local economies, in particular of the SMEs who are predominant in them. There is a need to develop some new arrangements and procedures that will enable the SLMRU to enrich its Regional Labour Market

profiles with denser local intelligence so that they can serve as important contextual documents to the work of the ETBs. It will be important that SOLAS should assure the SLMRU that the necessary resources will be available at an early stage so as to be able to do this.

Recommendation: The skills framework sketched in the 2010 EGFSN report on the wholesale and retail sector should be considered a template for the other large domestic sectors (e.g., health and social care, food and accommodation, etc.). In each case, there should be clear arrangements for consultation, adoption and implementation of the frameworks with regional and local bodies representing employers. The skills frameworks should result in clear guidelines for ETBs on the levels and types of awards that would equip their learners to follow career paths across specific occupations and jobs.

Recommendation: SOLAS should seek to be proactive in encouraging local employers to raise their demand for skills, avoid the underutilisation of existing employee skills and move to business models based on higher skill workers.

Recommendation: the arrival of SOLAS and the ETBs as bodies with a specific mission to improve the quality and profile of the FET sector and secure its status, alongside the higher education sector, as a mainstay of human capital formation and economic development, should be seized on by the Department of Jobs, Enterprise and Innovation and the Department of Education and Skills as the occasion to undertake a major updating of the National Skills Strategy.

The capacity and competence of ETBs to address workforce development in their catchment areas

Finding: In acquiring the training functions formerly carried out by the State's training authority (FÁS), the ETBs are, in effect, assuming the role of workforce development agencies (for NFQ Levels 1 to 6) for their catchment areas. It is important that they develop close and effective relationships with employers in their areas and facilitate employers' influence on the content and delivery of their FET. Many employers believe that the ETBs are poorly equipped to do this by virtue of the wide spread of their functions, the composition of their boards and the educational orientation of most of their providers. They believe much will be needed to ensure that ETBs have the competence and capacity to address the skills needs of enterprise and jobseekers.

Recommendation: It is recommended that the ETBs should move rapidly and put in place an appropriate advisory infrastructure for identifying the FET needs of their regions' workforces. Their board composition, in the first instance, positions them better to report to the Department on their school activities than to SOLAS on their FET activities³⁰. Whatever nominations the Minister makes (important as it is that employers and workforce representatives are among the four), it is clear that ETB boards will still not be adequately composed of stakeholders in their areas' economic development to be in position to adequately assess the FET needs of local employers and jobseekers. They are empowered by the legislation, however, to establish

³⁰ 18 members – ten elected by the local authorities, two each representing staff and parents, and four nominated by groups identified by the Minister as having a special interest in education and training.

committees that include non-Board members to advise them on the performance of their functions. The early establishment of the equivalent of a workforce development committee should be immediately explored to function as an authoritative forum through which bodies with specific insight into the skills needs of the region's economy and its workforce can systematically advise their ETB. To the greatest extent possible, the ETBs should align what they do here with the employer engagement strategy of DSP/Intreo and the Economic Development Strategy Groups and Socio-Economic Committees envisaged under the reform of local government.

Employers' and learners' confidence in certification

Finding: There is a notable lack of confidence in certification by employers who find that award holders still cannot do the jobs (lack the skills) for which they have been recruited. Qualifications are being overused as proxies for skills, and not just in Ireland: 'Qualification levels have been rising everywhere in Europe, and yet thousands of jobs remain vacant for lack of suitable candidates. *The right skills set counts for more in the job market than formal qualification levels*' (Cedefop, 2012³¹, emphasis added). It is not just employers who lack faith in many awards but learners, too, express dissatisfaction that awards they laboured to acquire do not win them a job. Providers, also, can find the awards process cumbersome and expensive with some believing courses are made unnecessarily long and have non-essential content while still lacking essential content. While FET providers cannot be held to account directly for whether previously unemployed learners who complete their courses gain employment in the short to medium term or not, they can and should account for the extent to which they complete their courses, get accreditation that has 'currency' with employers and are more confident and determined job-searchers as a result of what and how they have learned.

Recommendation: More also needs to be done to strengthen employers' and learners' confidence in the certification which results from FET³². The NFQ and Quality and Qualification (QQI) constitute important advances. Learners have a clearer idea of where they stand in seeking employment, certification is more widespread, courses can be compared more easily, quality standards exist and are more assured, learners' progression from one course to another is easier, etc. Yet the pendulum may have swung too far. There may have been over-promotion of FETAC public awards as against the need to also align private and industry-accredited awards with the NFQ. Non-accredited on-the-job training and industry-accreditation continue to be as, or more, highly valued by employers than FETAC awards. The manner in which employers shape course content needs to be improved and their participation on the Standards Development Groups of QQI should be much more carefully planned and assured for its authoritativeness and competence. Employers and labour market experts should also have a role in reviewing the Labour Market Justification advanced in proposals for new post leaving certificate (PLC) courses.

³¹ Cedefop Director, Christian Lettmayr, Berlin, 11.12.2012.

³² That the same can be said of degree programmes at third level does not lessen the challenge to the FET sector as well.

The interconnectedness of groups and interventions in the workforce

Finding: other things being equal, the more employment there is for people at Levels 6 and higher on the NFQ of a sort that is commensurate with their skills, the better are the employment and progression prospects of those at lower levels. Productivity, earnings, revenue and downstream employment are each strengthened, while competition from the better educated for entry-level jobs is lessened. FET plays a crucial role in facilitating entry to the world of work for a large group of young people who do not choose to go (or are not chosen for) third level education.

Recommendation: the need to give the long-term unemployment (LTU) greater access to FET and ensure that it is beneficial for them should complement efforts by SOLAS and the ETBs to enhance the quality, prestige and status of FET for school leavers and employers.

Finding: People of working age are either in work, unemployed or classified as outside the labour force ('inactive') and can have a need for appropriate FET in each state. This is particularly true of the low skilled who move between jobs, between employment and unemployment, and between being in and out of the workforce in large numbers. It is important that they have access to quality FET if they are in work and when they are jobless without being on the LR. There are 'potential LTU' among the low skilled at work who are being helped to stay in employment by programmes such as Skills for Work. There are 'concealed LTU' among the low skilled inactive who are being helped by adult literacy and community education programmes to enrol on more advanced courses, more actively job-search or find some paid hours of employment. Making the LR the sole gateway to FET for the low skilled would be inefficient and wasteful.

Recommendation: While the existing stock of LTU is the priority, SOLAS and the ETBs must ensure that an appropriate spectrum of FET provision is available which enables the low skilled in a variety of situations to re-skill or up-skill and avoid unemployment.

Recommendation: SOLAS and the ETBs should carefully examine Skills for Work to ensure it has the coverage, versatility, focus and resources that will enable it to provide, in close co-operation with NALA and AONTAS, the tailored, intense and prompt provision of literacy, numeracy and basic education that will enable employees at high risk of unemployment to remain in employment. It is also important to involve employers and unions in this work.

Recommendation: A greater concentration of expertise and resources in addressing basic literacy is required for the unemployed and people in work, especially those aged under 55. There are variants within current provision that should be increased in scale because they are particularly suited to the needs of the LTU, e.g., Intensive Tuition in Adult Basic Education (ITABE) and English for Speakers of Other Languages (ESOL). ESOL should be rationed less than it currently is.

5.2. Core functions across all programmes

The collation, interpretation and use of data

Finding: Inadequacies in how data is gathered and analysed surfaced repeatedly during the preparation of this review, in particular data for assessing and monitoring the performance of programmes and providers. As Forfás has succinctly stated: ‘All courses should demonstrate where they can take a learner to’ (2012: 10). When such evidence is available, learners choices, employers’ investment, providers’ decisions and the allocation of scarce public funds are each more likely to be effective. Over time, the ETBs should transform into hubs for FET procurement at the regional level where evidence on what demonstrably meets the needs of each type of FET learner (and not just the unemployed) influences the ETBs’ allocation of public funding in a way that is increasingly neutral with respect to the genre of provider. The need for robust evaluation of programmes and individual provider performance can only be done with the co-operation of providers and in a context in which they see its benefits for their students and their own professionalism clearly. In this sense, external evaluation and self-assessment need to be acknowledged as a continuum.

Recommendation: SOLAS should strive to develop a ‘culture of evidence’ across FET providers drawing, for example, on the considerable experience of the DES in bringing schools to engage more effectively with its inspectorate in evaluating their own performance. Indispensable requirements for such collaboration include a leadership at the level of colleges and training centres that is committed to improving outcomes for learners and a minimum capacity in providers to not only gather the required data but to use it themselves and to absorb the results of external research.

Recommendation: A priority for SOLAS must be regular research that allows the contribution of specifically vocational FET programmes to subsequent employment to be identified in a standardised and reliable way for all programmes

Finding: There is wide consensus that the effectiveness of any programme intervention has to be measured against the objectives, aims and intake of the programme. Acknowledging that there are significant ‘softer’ achievements such as increased confidence, more developed group skills and social skills, and that the option of non-accredited learning can be important for particularly disadvantaged groups, does not mean interventions on their behalf cannot be evaluated. There are models to evaluate the social return on investment that are particularly useful for these types of programmes.

Recommendation: While qualitative as well as quantitative data need to be accorded their due place, the more disadvantaged is a programme’s intake, the stronger should be the commitment to ensure that interventions are of the right intensity, of high quality and lead in a demonstrable manner to successful course completion and positive outcomes (advancement in employment for those at work, progression to more advanced Vocational Education Training (VET) for those unemployed).

Finding: There is a wide consensus also on the desirability and potential benefits of matching public data sets, across agencies and departments, and using the Personal Public Service Number (PPSN) as a unique identifier to track the progression of individuals into and out of employment and across FET

programmes. During 2013, several applications of this approach have been used for the first time to, respectively, track school completers and early school leavers one year on, identify the number and nature of transitions taking place in the Irish labour market between jobs and different labour market statuses, and to identify the destinations one year later of those who gain FETAC major awards.

Recommendation: An important advance and consolidation of this approach would be the design and launch of a periodic tracking exercise embracing all those completing FET courses in a similar fashion.

Finding: The emphasis that SOLAS should improve the ‘customer experience’ – for the unemployed and all other FET learners – reinforces the need to gather rich data on learners at different moments, when they enrol, during their participation and afterwards. ‘Student experience is at the heart of any attempts to improve the quality of vocational education and training. The quality of that experience needs to be carefully monitored and care should be taken to evaluate it using a whole range of performance indicators and not emphasising a single indicator at the expense of others’ (HMIE, 2008: 3). Drawing on the consultations for this review and on the experience of other countries, the necessary data to gather on unemployed learners in FET is as follows:

Table 5.1: Desirable data on Unemployed Learners

Benchmark	Engagement	Outputs	Outcomes	
			Short-term	Sustained
Age, gender, education, welfare status, occupation/sector of previous employment, etc.	Course intensity	Accreditation	Employment	Employment
	Course attendance	Learner satisfaction	Progression	Earnings
	Course completion	... perception of relevance and benefits	Job-search intensity, ambition/confidence	Application in job of learning
Duration of unemployment			LR/other welfare	LR/other welfare
PEX				
Literacy deficits				

Recommendation: SOLAS should adopt a holistic view of what constitutes success for unemployed learners and support the collection of data on learners’ views as well as ‘hard’ data on qualifications and outcomes.

Matching unemployed people with FET appropriate for them

Finding: The role which good guidance plays in ensuring that unemployed people identify courses which they are motivated and capable of completing, and that are market relevant and delivered with the necessary supports, was emphasised by all stakeholders. Within even tightly defined priority cohorts on the LR, significant heterogeneity exists in individuals' aptitudes and capabilities. When unemployed people do not complete courses, resources are wasted and other learners, providers and the unemployed themselves are negatively affected. FET is not the answer to all unemployment, only to that arising from obsolete or inadequate skills. It is for the DSP/Intreo to identify among its clients those jobseekers that will benefit from further education and training.

Recommendation: It is important that protocols and procedures are further developed and improved that enable the collaboration of ETBs and Intreo at the local level to have maximum impact. It is the responsibility of DSP to make accurate referrals to the ETBs. ETBs can carefully select between referred individuals for particular courses but may not 'park' them. Intreo and the Adult Education Guidance Service (AEGS) should adopt an agreed arrangement whereby the expertise of the latter is available on a priority basis for LTU enrolling on FET. The ETBs should continue to develop the position of 'resource worker' and to assist with the successful placement of those referred to them by Intreo.

Finding: To date, there has been more success in bringing the 'new' LTU with their higher educational profile to existing or new programmes (e.g., Springboard, conversion courses) than in bringing more of the 'traditional' LTU to FET. While some observers argue that this is because some of the latter face high replacement rates it may have as much to do with limited systematic engagement and referral of 'traditional' LTU and higher rates of self-referral to FET by the higher skilled LTU. The adequacy and security of the income support that LR unemployed people receive while participating on FET can vary hugely across programmes. Fear of losing access to JA or inability to sustain essential training costs can deter jobseekers from participating in and completing some courses more than others.

Recommendation: the reasons why LTU can mistrust FET and hold back from the considerable effort and investment it entails on their part are poorly understood and should be researched as a priority. Ultimately better career guidance and more systematic engagement with Intreo will have an important role to play in encouraging the long-term unemployed to participate in FET.

Recommendation: The level of income support and training allowances to which the LR unemployed are entitled should be similar across all courses. The transformation of income support into a training/education allowance should be experienced seamlessly.

Finding: There are notable instances where 'traditional' LTU complete courses and gain employment as a result. It is clear that some niche providers and those delivering some courses on the part of mainstream providers have captured what is required if the socially disadvantaged LTU are to complete and benefit from FET. There is, for example, little open discussion of the optimum period of time that should be given to re-skilling and up-skilling, and whether and how that relates to the duration of previous unemployment, the participants' starting level on the NFQ, their probability of exit (PEX) score or, indeed, current labour market conditions (e.g., shorter training might receive greater priority when unemployment is low and longer courses when the rate is high).

Recommendation: Qualitative research is urgently needed in this area to identify, cost and disseminate best practice. Thought should also be given to some form of incentive for existing mainstream courses to deliver on targets set for the participation of the LTU (for example, where courses are based on the academic year, capitation payments could be paid only partially at the end of October for low PEX individuals who enrol but have a significant bonus element when they complete).

5.3. Adjusting current programmes

PLCs

Finding: There are significant concerns with the amount and quality of the work experience involved on many PLC courses, which can rest primarily on the participants' own initiatives. The 'labour market justification' test applied to proposals for new courses is cursory and the continuing labour market justification for existing courses is poorly monitored. There is no mechanism for re-allocating places from one VEC to another in response to changing demographics or levels of demand. The quality of data gathered on PLCs is poor and varies hugely across the VECs. In no case are specific data on outcomes for adult unemployed available. There are concerns that aspects of the PLC 'model' make it difficult for many unemployed adults to access, i.e., particularly its duration, that it is full-time and delivered during the school year only.

Recommendation: There is a particular need for, and potentially large benefits to be gained from, successfully engaging employers to achieve a step increase in the quality of work experience associated with the PLC programme. Its' generally poor quality at present, the large absolute numbers of school completers and young adults who access PLC courses, and the importance of the occupations being targeted to local economies and domestic sectors suggest potentially major returns if SOLAS and the ETBs were to make it a priority to develop more systematic and effective engagement with local employers and engineer a higher quality and longer length to work experience on the programme.

Apprenticeships and Traineeships

Finding: Aspects of the current apprenticeship model (duration, cost, structures and processes for designating a trade, cyclical rather than structural responsiveness, etc.) have prompted a fundamental review which is currently under way. Reviewing the apprenticeship system in 2010, Forfás observed that it had worked well in the decade up to 2007 (in terms of employment of apprentices, employer satisfaction, etc.) but that this was significantly due to the proportion of apprentices overall being absorbed into construction-related activities. Apprenticeships are difficult to access for those already on the LR. Annual registrations are currently low, there is strong competition for them and individuals must first be taken on by an approved employer.

Traineeships are a short (ten months) targeted training intervention designed, with the participation of industry, to address the identified skills needs of the economy. Traineeships have the best

employment outcomes across all FÁS programmes. While there are traineeships in a broad range of sectors, in practice two-thirds of training is in health/beauty/childcare/welfare. Traineeships are dependent on both industry demand for the skills and industry participation in the training. Some traineeships, such as those in Qualified Financial Assistant and Retail Sales Assistant, have failed due to collapse in either industry demand or participation.

Recommendation: A new model of traineeships/apprenticeships, which is enterprise-led and flexible enough to respond to the skill needs of the Irish economy, should be developed. As identified a joint submission (from Forfás/DJEI/EI/IDA), the ideal model for apprenticeship should take account of the needs of learners, the needs of employers and the needs of the economy. In particular, it should be: flexible to incorporate the skills implications of the changing economy; increase the range of occupations covered, especially as regards services sectors of the economy; evolve a curriculum for the relevant occupations that reflects the tasks needed in the modern workplace; encompass an access path for those who wish to enter it from different educational attainment levels; be rebranded with an emphasis on its value as a modern flexible work-based training programme; and address future supply issues, catering for situations where individual employers cannot offer enough places. Consideration could be given to networks of companies recruiting and training apprentices or placements abroad.

Specific Skills Training (SST)

Findings: Short and long courses have broadly similar placement and progression outcomes, which is notable. On the one hand, unemployed people enrolling for short courses may be targeting a regulatory requirement or precise skill that is pivotal to a specific employment. On the other hand, it is easier for people to ‘accumulate’ short courses without strategic intent. The relevance of a significant proportion of SST training remains a significant concern, though an increased reliance on external contracting has reduced the element of incumbent course inertia. Concerns also exist that employer and learner ‘demands’ (‘market- and client-driven provision’) are not tempered sufficiently by analysis of local labour market developments.

Recommendation: Greater employer involvement would help in ensuring continued alignment with labour market demand and avoiding skills mismatching. Replacement demand, emerging skills requirements and programme outcomes should be closely monitored and adjustments made where necessary.

Momentum

Findings: Being administered and closely watched by FÁS, the Momentum projects are a major departure by Ireland’s FET system for several reasons: the intake is closely tied to the LR long-term unemployed; the skills to be imparted are closely tied to sectors of the economy identified as ‘emerging’ and with good growth prospects; tenders were invited from public, private and not-for-profit providers on equal terms; and the contract contains a significant payment-by-results element. Trainees currently receive less support than those on longer established programmes. These aspects of Momentum mean it may be under-incentivising providers and under-rewarding trainees.

Recommendation: The outcome of Momentum should be carefully evaluated and, if successful, consideration should be given whether it provides a template for ETB programme development as local hubs of FET procurement.

Vocational Training Opportunities Scheme (VTOS)

Findings: Despite its title, ‘Vocational Training Opportunities’, VTOS has only one in five advancing to employment and more than two in five using it to progress to more advanced education. The preponderance of minor awards may be considered surprising, given that VTOS is full-time and of long duration. The financial incentive appears stronger for an unemployed person to seek the Back to Education Allowance (BTEA) route rather than the VTOS route to FET.

Recommendation: VTOS should be reassessed to determine how to improve employment outcomes.

Back to Education Initiative (BTEI)

Findings: There is concern that the prestige of Level 5, for learners and providers, may be leading to under-provision at Level 4 and to some learners being ‘precipitated’ into Level 5 courses for which they are not adequately prepared. The potentially indefinite term of participation on BTEI is also an issue (45 per cent of 2011 participants remained on the programme in the following year). Initially, BTEI was conceived as an access route to the full suite of existing FET – ‘cracking open’ full-time courses to include part-time learners and to link with adult literacy provision in particular – rather than adding stand-alone BTEI courses to the menu. It is not unusual now for VECs to offer stand-alone BTEI courses. Generally, little is known about what the unemployed (and the 20 per cent employed) use BTEI for, i.e., how long they stay on it, what awards they achieve, what employment impacts the awards have, etc.

Recommendation: The issues arising in BTEI should be addressed by the relevant departments, SOLAS and the ETBs in the formulation of the new FET strategy.

Adult literacy

Findings: There is significant participation by people at work (28 per cent of participants 2011) and by people outside the labour force in adult literacy programmes. It is almost certainly the case that there are significant wider social benefits (social participation, health etc.) But there are no reliable metrics to capture them. Courses are allocated on a ‘first come, first served’ and this leads to under-representation of those with most acute deficits.

Recommendation: Literacy provision for unemployed jobseekers should be embedded in occupationally specific VET rather than as a standalone service. The literacy training should be intense, of high quality and lead in a demonstrable manner to successful course completion and positive outcomes (advancement in employment for those at work, progression to more advanced VET for those unemployed).