



European Anti-Poverty Network (EAPN) Ireland

Submission to Pathways to Work Strategy 2020-2024

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The European Anti-poverty Network Ireland welcomes the opportunity to respond to the consultation on the Governments framework for Activation and Employment Policy, Pathways to Work 2020-2024.

Though the new strategy will take into account a growing economy and a return to full unemployment, we note that this strategy must also operate within the context of ongoing uncertainty regarding an impending Brexit. The economic ramifications of a changed social and economic relationship between Ireland and the UK is most likely to impact those who are living on or below the poverty line, further marginalising those already distant from or excluded from the labour market .

With the growth of the 'green energy' industry and increasing concerns around and calls for immediate action on climate change, we have already seen a move away from industries involved in the use of fossil fuels. This will have an impact within many communities in Ireland built around fossil fuels and the employability of people who have been working on the front line of these industries. Education, training, retraining and up-skilling must be a priority for these groups for the purposes of a 'just transition', viewed in preventative terms and not based upon reactionary measures.

We also believe that the current narrative around "full employment" and those who are unemployed, does not take into account the nature and security of available employment or jobs obtained. Pathway 2020-2024 provides an opportunity to focus on the need for activation services that not only engage with groups that are most distant from the labour market but promote values that lead people to decent secure work with adequate earnings. We do not believe job activation services should be profit driven as part of the private sector but instead provide a social dividend for the state and within local and regional areas, which in itself would benefit local and national economies. We believe a new Pathways strategy should embody values that promote quality and security at its core alongside the public sector duty.

1. Accessing ‘Decent Work’

The Irish economy has reached ‘full employment’ with the unemployment rate falling to 5.2% in Q2 of 2019.¹ However The European Commission Country Report for Ireland 2019 recognises that *“nominal compensation per employee grew by 0.9 in 2017, and it is estimated to have reached 2.7% in 2018...this remains slightly lower than could be expected...”*² despite achieving full employment, there have not been proportionate wage increases to match the growth in employment and job uptake in Ireland. Statistics show that Ireland has the 4th highest share of low pay (full time workers in OECD).³ This raises questions around the quality of jobs, job security and adequacy of wage levels currently on offer within the growing Irish economy. We believe quality secure jobs and decent pay are more representative of positive economic and social growth than a rudimentary measurement of employment versus unemployment. The fundamental core of the new Pathways to work strategy must be access to decent, secure, and quality work that provides adequate pay. This could be demonstrated via the nature of relationships and agreements formed between the Department of Employment Affairs and Social Protection, employers, companies, and community and national organisations, for the purposes of accessing employment that represents decent work and social inclusion. This is particularly relevant to people who incur extra costs and expenses due to disability. The establishment of relationships that actively promote these core values is a vital part of implementing the Pathways Strategy for the period 2020-2024.

2. Groups Distant from the Labour Market

Positive Activation policies and structures, such as the New Pathways strategy, must be developed within a wider context, ensuring access to adequate income, quality services and employment and training opportunities that are socially inclusive. This mirrors the approach adopted within the EU in 2008 in a recommendation entitled “Active inclusion of people excluded from the Labour Market”.

Within the new Pathways to Work strategy 2020-2024, we believe priority should be given to:

- Access to adequate income- whether in or out of work
- Access to quality services- such as employment services, housing, care, transport, training and education

¹ <https://www.cso.ie/en/releasesandpublications/er/lfs/labourforcesurveyquarter22019/>

² https://ec.europa.eu/info/sites/info/files/file_import/2019-european-semester-country-reportireland_en.pdf p8

³ <https://data.oecd.org/earnwage/wage-levels.htm>

- An inclusive labour market- this will ensure that everyone has the opportunity to work, earning a decent living and participate fully in society.

The Department of Social Inclusion and Employment Affairs has recognised specific groups that face barriers to employment and labour force participation including:

- The long term unemployed
- Unemployed Young people
- People with Disabilities
- Older Job seekers
- People from Migrant backgrounds
- People from Roma and Traveller backgrounds
- Lone Parents
- Adult dependent of claimants of job seeker payment
- Returners to the workforce

If the pathways strategy is to take into account the current environment in which it will be implemented, then it must actively acknowledge via the nature of supports and services offered, the barriers that those distant from the employment market encounter, including:

- access to availability of secure affordable housing,
- child care
- transport costs
- rural isolation
- literacy issues
- low educational attainment
- Socio-economic Status and discrimination as per the 9 grounds of discrimination in Equality Legislation
- Physical, intellectual and sensory disabilities

It must specifically acknowledge and seek to support those experiencing ongoing racial and ethnic prejudices which complicate and hinders the ability to successfully access employment. We also note that despite the implementation and existence of activation services and supports to people with disabilities, Ireland still has one of the lowest rates of employment for people with disabilities in

the EU. (26.2 % compared to 48.1 % in the EU in 2017)⁴. The Pathways Strategy for 2020-2024 must address the ongoing issues and failings in the level of supports and resources available to employment services staff and clients, as well as the level of engagement from employers, that so far has prevented people with disabilities in Ireland from engaging in the work force where possible.

The Department's plans for the new Pathways to work Strategy can only meaningfully operate within the context of challenges face by the groups most distant from the labour market and the individual perspective of those experiencing these challenges. It is essential that the Department ensures that activation services do not entail an "all costs" approach whereby groups most distant from the labour market find themselves in situations where they are financially less well off due to activation measures (ie One parent family reforms)⁵. We believe that successfully activating those distant from the labour market, who are in a position to work, will require wrap around supports and significant investment to ensure that adequate staffing and resources are available to meet the needs of these groups.

3. Upskilling, Education and Training

Future Jobs Ireland 2019 has a target of 3 percentage point increase in overall participation rates for people aged 25 to 69 years to 78% by 2025 with higher increases for females and older people. In order to achieve this target and the aims within Future Jobs, the new Pathways strategy must recognise the specific needs of women within and seeking to enter the work force. It must also specifically address the low participation of low/medium skilled workers in the labour force in Ireland, including older people who wish to take up employment or remain in employment. These groups must also be specifically facilitated in areas such as lifelong learning and up skilling, particularly in relation to basic literacy numeracy and digital skills, in recognition of our almost entirely digitalised workforce.

The EU Country Report for Ireland 2019 indicates that the gap between the employment rates for high, medium, and low skilled workers is one of the highest in the EU in 2017 (despite decreases since 2014). We also see within the CSO Labour Force Survey Employment Series Q2 2018, that 1 in 10 employees are on a temporary contract and that significant numbers of those in part time work are considered to be underemployed, meaning they would like to work more but an increase in working hours is not available. This is backed up by the EU Country Report for Ireland 2019 which

⁴ https://ec.europa.eu/info/sites/info/files/file_import/2019-european-semester-country-reportireland_en.pdf p38

⁵ https://www.welfare.ie/en/downloads/DEASP_OFP_Review.pdf

states that approximately a quarter of all part-time employees in Ireland in 2017 would take fulltime employment if they could find it.⁶

Ireland's public employment service must develop actions up to 2024 that responds to the reality of labour force participation in Ireland and those in the labour market seeking to up-skill, retrain, and increase their hours of employment.

The support and services provided by Pathways, such as education and training, must also take into account those industries most likely to be impacted by Brexit, such as those working in agriculture, construction, tourism. We also note that that a "just transition" must be a feature of the Pathways Strategy to ensure those most likely to suffer job losses or who have already been impacted by the move away from fossil fuels and action on climate change (such as Bord na Mona employees, those working within the car industry) receive practical supports, services and training that empower and enable people to be a part of the green economy and the move towards renewable energy as per Irish Government policy on Climate Action. It is imperative that a programme of supports and training relevant to these groups is implemented as soon as possible

4: Best practice moving forward

4.1 Ung Komp Programme Sweden

We believe that the new Pathways Strategy should adapt a holistic approach built upon respect and dignity which is proactive to clients needs. This ties in with the DEASP statement of strategy 2017-2020 in which the first objective is to put the Client at the centre of policy and service delivery.⁷

Ung Komp is a public employment programme, available in 19 cities across Sweden, which assists young people between the ages of 16 and 24 who are in need of comprehensive supports. The programme offers a whole life approach to job activation (ie examining housing needs, engaging with supports re addiction if necessary).

The programme is delivered by a multi competence team which is full time and co-located, the teams engages in a high level of collaboration, with meetings once a week to discuss cases and pathways to employment. Dialogue between the clients and teams is considered to be essential and the team have a high level of availability to the client. The programme has been very successful, demonstrating an employment rate of 70% out of 10,000 people who accessed the programme in 2017. We believe the vital component in the success of this programme is the investment in

⁶ https://ec.europa.eu/info/sites/info/files/file_import/2019-european-semester-country-reportireland_en.pdf

⁷ https://www.welfare.ie/en/downloads/Statement_of_Strategy_2017-2020.pdf

adequate resources. We do not believe that the Irish economy technically reaching full time employment should result in under investment in the area of public employment services.