



## **Creating an Inclusive Labour Market**

**Report to the NESF Project Team**

### **A Study of Labour Market Vulnerability and Responses to it in Donegal / Sligo and North Dublin**

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## **Section 1. Introduction**

This research study was undertaken in the context of the National Economic and Social Forum's (NESF) report entitled *Creating a More Inclusive Labour Market*. The focus of that report is on helping those vulnerable groups who, for different reasons, have greatest difficulty getting (and staying in) employment. These groups were identified as including long-term unemployed, women returners, lone parents, those with disabilities, young people at risk of unemployment, those with low levels of education and/or skills, ex-drug mis-users, ex-offenders, members of the Traveller community, homeless people and refugees. The objective of the report is to identify key policy innovations which would lead to greater equality and opportunity for vulnerable people on the labour market and which would have the additional effect of helping to raise the quality of labour supply and help to sustain long-term economic growth.

This research study was commissioned to inform the work of the NESF Project Team. The objectives of the study were to:

- Review evidence of labour market and economic development problems in two regions
- Identify financial and other barriers to participation in the labour market or in education, training and other measures
- Identify and examine examples of the best ways local labour market and social inclusion measures, acting together, can help those who are experiencing difficulty on the labour market.

### **1.1 Methodology**

In order that the issue of labour market exclusion and vulnerability could be explored in different social, economic and labour market contexts, two contrasting areas were selected for this research. These are Dublin City North and the combined counties of Sligo and Donegal. The methodology, which had been specified in the terms of reference for the study, comprised the following elements:

#### **Focus Group Meetings**

Two focus groups were convened in each area: one comprised of *service providers* and one of *service users*. Around 150 people attended these focus group meetings. *Service provider* focus groups included personnel from Area Based Partnership Companies, Local Employment Services, Local Drugs Task Forces, FÁS, VEC, Department of Social and Family Affairs, Trade Unions, Representative Organisations, Chambers of Commerce and community organisations (Details of *Service Provider* Participants are in Annex 1). *Service user* focus groups involved people using the services of these and other organisations and involved members of the groups identified as experiencing marginalisation on the labour market. In terms of labour market profiles, they included the following:

- People with extensive experience of employment, usually with the same employer or within the same industry, but who had recently been made redundant.
- People who for a variety of reasons had only sporadic periods of employment, usually in sectors characterised by low pay, low skill and insecurity.
- Young people who had poor formal educational attainment, who had experience of participation on labour market programmes but whose experience of employment was confined to work experience.

### ***In-depth Interviews***

Following the Focus Group meetings, telephone interviews were conducted with a number of *service provider* Focus Group participants, and other key actors, in both study areas. These included representatives of Area Based Partnership Companies, Local Employment Services, County Development Boards, Department of Social and Family Affairs, employers and NGOs.

It is worth noting here that many of the *service providers* included in the study have been engaged in service delivery and other supports to vulnerable groups for extensive periods of time. Consequently, their comments on the contemporary situation were informed by their retrospective assessment of the recent evolution of labour market problems and policy responses to these.

### ***Survey of Provider Organisations***

A survey of personnel working in organisations that provide services in relation to the labour market or to combating social exclusion was undertaken in the two areas. These organisations included statutory organisations (FÁS, VEC, Department of Social and Family Affairs), local development agencies (including Area Based Partnership Companies, City and County Enterprise Boards, LEADER, Local Employment Services and so on) Social Partner organisations including Trade Unions and Chambers of Commerce, County Development Boards, and a wide range of community and voluntary organisations. The survey was interested in eliciting the views of individuals working in relevant roles within these organisations. Consequently, a total of 165 questionnaires were emailed to 85 organisations in the two areas, with larger organisations which play multiple roles *vis-à-vis* the target groups or have multiple points of contact (for example, FAS, and the Department of Social and Family Affairs) receiving several copies. (A copy of the Questionnaire is included in Annex 1).

The response rate based on the individuals targeted was low at 19 per cent, or 31 responses. However it was much higher in terms of organisations targeted and included amongst the respondents were personnel involved in the most salient organisations at local level.

**Responses to Survey of Service Providers, by Organisation**

	<b>Dublin</b>	<b>Donegal / Sligo</b>	<b>Total</b>
ABPC / LES	4	3	7
FÁS	0	4	4
DSFA	3	2	5
VEC	3	0	3
CDB	0	1	1
CEB	0	1	1
LDTF	2	na	2
Social Partner	1	0	1
C&V	3	4	7
<b>Total</b>	<b>16</b>	<b>15</b>	<b>31</b>

**Desk Research**

A review of relevant reports, official statistics and other documentation was undertaken to provide material on the local economic and labour market contexts in both study areas. This material was complemented by data generated through the survey of service providers.

**1.2 Structure of the Report**

The research was undertaken during February and March 2005. It is important to acknowledge that, in view of the limited timeframe and methodology, this is not a comprehensive or exhaustive study of labour market exclusion. Rather it should be seen as an attempt to document perceptions of the contemporary context and experience of labour market vulnerability on the part of those closest to it and to highlight effective mechanisms to respond to this at local level.

Section 2 looks provides an overview of the economic situation in the two study areas highlighting documented difficulties and data on socio-economic disadvantage.

Section 3 details the findings of the study in relation to barriers to participation in employment and in labour market training programmes.

Section 4 looks at good practice in local labour market inclusion strategies.

Section 5 presents conclusions and recommendations.

## Section 2. Overview of Study Areas

The sustained level of economic growth in Ireland since the mid 1990s has brought almost full employment. Within the overall positive trends, however, there have been significant sectoral shifts including decline in some sectors, most notably in manufacturing industry. In some parts of the country, this has resulted in the disappearance of the single most important source of local employment and has led to redundancies among the workforce. In some instances, the loss of industrial employment has been paralleled by a growth in the services sector. However, service sector jobs usually require different skills, different qualifications and often offer different terms and conditions of employment than existed in traditional industry. Consequently, at the local or micro level, mismatches can occur between the skills, aspirations and expectations of the workforce (or sections of it) and employment opportunities, even in the context of net employment growth. This results in the co-existence of sectoral growth and unemployment and highlights the fact that demand for labour *per se* is not always sufficient to eliminate unemployment at local level.

This situation is exacerbated by the short travel to work distance for marginalised groups and their reliance, therefore, on very local labour markets. In general, outside of the main Dublin oriented commuter corridors, travel to work distances as captured by census data are short. More specifically, in disadvantaged areas, there is evidence that people experience greater spatial restrictions and as a result are confined to very localised labour markets. One of the implications of this is that the impact of macro economic processes, which may balance out at national or regional level, tends to be amplified at the micro level and particularly so for vulnerable groups.

There is ample evidence of this in the two study areas, which were selected in order to provide different economic and social contexts within which to investigate the experience of and responses to labour market marginalisation and vulnerability. The two areas – North Dublin and Donegal / Sligo – do indeed display considerable differences. Donegal / Sligo shows evidence of rural underdevelopment and peripherality, while North Dublin contains areas of significant urban disadvantage in the midst of strong economic and employment growth. But, there are also similarities between the two areas: in both North Dublin and Donegal / Sligo, important local industry has been shedding jobs through redundancies and poor infrastructural development is reflected in transport and childcare deficits.

There is also a considerable degree of variation within each of the two areas, with some localities displaying evidence of extreme deprivation and disadvantage while other have a much more affluent profile. In North Dublin, for example, Ballymun displays very high levels of disadvantage while the Donegal / Sligo region is also quite heterogeneous, with Sligo, overall, faring significantly better in economic terms than Donegal.

## 2.1 North Dublin City

For the purpose of this research, North Dublin City was defined as the area stretching northwards from the Liffey to the M50 and westwards from the coast to the N3. This includes the areas covered by four Area Based Partnership Companies: Ballymun, Finglas / Cabra, Northside and the two northside quadrants of the Dublin Inner City Partnership<sup>1</sup>. The north Dublin area is heavily urbanised and this is reflected in the population density: in 2002, there were 10,898 persons per square mile in Dublin City compared to the national figure of 146. In the four Partnership areas, the population in 2002 was 277,934 and the workforce was 230,058. The labour force participation rate was 61 per cent. The four areas served by the Partnerships, however, are very diverse with Ballymun and, to a lesser extent Cabra / Finglas, displaying a particularly problematic socio-economic profile and a high level of deprivation.

### ***Economic Profile***

In socio-economic terms, Dublin is very diverse. The city's economy continues to perform strongly, with a mix of multinational and indigenous companies. Professional services, manufacturing, insurance, finance and business services account for most of those at work, although throughout the area, localised variation is marked. In particular, the loss of manufacturing industry in some parts of the area and its replacement by service sector jobs – notably in call centres, retail and the hospitality sector – are having a significant impact on the very localised labour markets within which marginalised people operate. Overall, however, demand for labour remains high and immigrant workers continue to be important as a source of labour.

A high level of process sophistication has been identified in some sectors, but there is also a growing concern with the emergence of 'precarious' employment – work that is unskilled, low paid and vulnerable to economic downturns. Consequently, there is evidence of dualism in the Dublin labour market and of a growing cohort of workers in unstable and insecure employment, whose situation is exacerbated by the limited availability of in-work training to low skilled workers. Precarious employment and dualism have in fact been a feature of women's employment for some considerable time now, and both have gone largely un-remarked upon. However the extension of these features to the male labour force is now drawing comment. The existence of precarious employment and its corollary, the working poor, are stark reminders that a job is not always a route out of poverty.

Diversity exists in relation to education too. North Dublin City is well served with Third Level Institutions but students from the area are under-represented in the tertiary sector and early school leaving continues at exceptionally high levels in some areas. Overall, levels of educational attainment including Third Level are much higher in Dublin Inner

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<sup>1</sup> Much of the data presented here refers to the areas covered by these four Partnerships. In regard to data for the Dublin Inner City Partnership, it has not always been possible to exclude the Southside Quadrants.

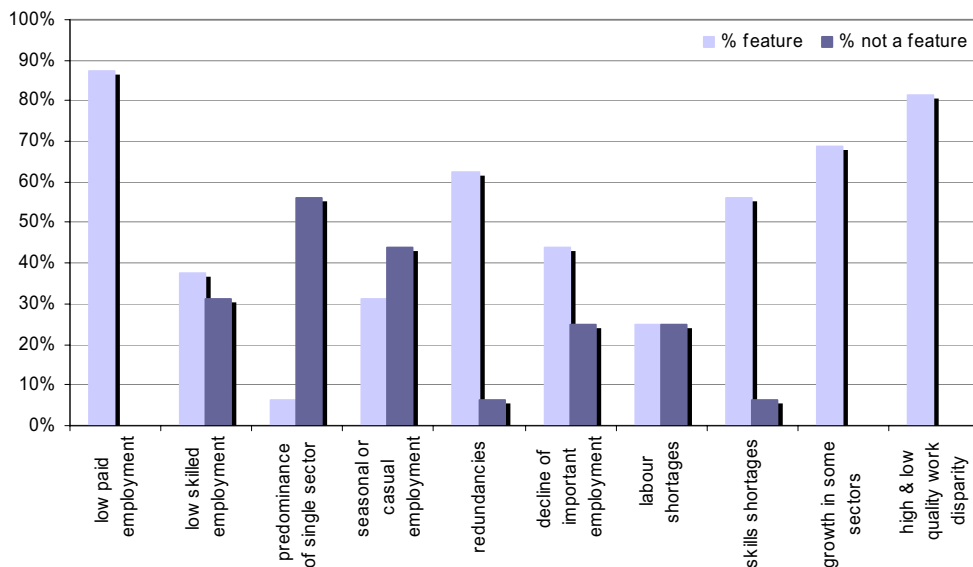
city and to a lesser extent in Northside. While in Finglas / Cabra and more especially in Ballymun levels are much lower, and early school leaving more prevalent

Transport infrastructure has developed significantly over the past number of years and the area also benefits from proximity to Dublin airport, but public transport is expensive and traffic congestion is a problem. Similarly, while Dublin was one of the first areas in the country to enjoy the benefits of broadband technology, the digital divide persists.

Dublin is more ethnically mixed than other parts of the country. In the city overall, 9% of the population are from nationalities other than Irish or UK. Within the four partnership areas, the percentage ranges from a low of 3.8 % in Northside, to a high of 19 % in the Inner City.

Overall, as the Dublin Employment Pact has noted, while much of Ireland’s wealth and earning power is concentrated in the capital – the greater Dublin region accounts for a large proportion of national output - so too is much of the country’s poverty and disadvantage, with significant black spots in terms of unemployment and social exclusion. This was also reflected in the responses to the survey of service providers. The majority of North Dublin City respondents indicated that the local labour markets in which their user groups seek employment are characterised by low paid employment, redundancies and disparity between high and low paid work. Equally however, high proportions indicated the existence of employment growth in some sectors and of skills shortages (Figure 1).

**Figure 1 Characteristics of Local Labour Markets, North Dublin City : proportion of respondents indicating existence of specific features.**





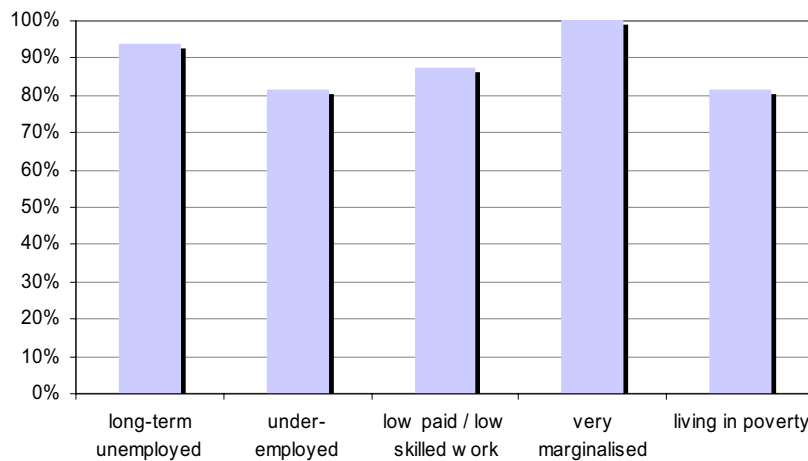
### ***Disadvantage and social exclusion***

The profile of local labour markets identified by survey respondents is consistent with other data sources on disadvantage and social exclusion in the North Dublin City area.

- Unemployment rates (Census definition) are higher than nationally and, as noted, there are substantial numbers with low educational attainment. Educational levels amongst the unemployed in the four Partnership areas are particularly low compared with the national average. Again Ballymun and, to a lesser extent, Finglas / Cabra fare worse here. In both these areas, almost 40 % of the unemployed have no formal education or have only primary education.
- The proportion of lone parent households – significantly associated with the risk of poverty – is also higher in the North Dublin area than nationally with 13% of all households with children headed by a lone parent. Within three of the four partnerships areas, the figure is higher again, especially in Ballymun where 39 % of all households with children are headed by a lone parent.
- The proportion of the population of the four Partnership areas that has a disability is slightly higher than the national figure. The most significant point of diversion is the very high incidence of disability amongst children aged less than 15 in Ballymun (11.7% compared with 4% for Dublin City).
- The incidence of poverty in Dublin has been investigated by Nolan et al (1999) and attention drawn to the relationship between poverty and public housing in the city. Public sector tenants in Dublin are twice as likely to be poor as public sector tenants outside Dublin, or three times more likely to be poor when the influence of limited education and other socio-economic variables are independently assessed. Additionally, public sector tenants in Dublin are 35 times more likely to be in poverty than owner-occupier middle class households in the region.
- The extent of disadvantage in North Dublin, specifically in the four Partnership areas, can be grasped from the Haase – Pratschke Affluence / Deprivation Index compiled on the basis of the 2002 and preceding censuses. In all four Partnership areas the absolute level of affluence is lower than for the state overall. However in all four areas, and especially in the inner city, the rate of change since 1991 has been higher than the national average, improving the relative position of these areas. Ballymun, however, is again distinctive in the exceptionally high level of deprivation it displays (Gamma Baseline Data Reports, 2004).
- The documented evidence of deprivation in the North Dublin region was again reflected in the survey of *service providers*. There was close to unanimity, among respondents that their catchment areas contained large numbers of or concentrations of people who are very marginalised, long-term unemployed, in low paid or low skilled work, under-employed or living in poverty (Figure 2).

- Finally, we can note that 75 % of respondents to the survey in North Dublin said that part of their catchment area contained unemployment blackspots while 25 % said the entire area was a blackspot.

**Figure 2 Profile of Catchment Areas, North Dublin City : proportion of respondents indicating existence of specified groups**



## 2.2 Donegal / Sligo

The counties of Sligo and Donegal, along with Leitrim, constitute the North-West Region. The two counties are predominantly rural with the main towns being Sligo, Ballymote and Tubbercurry (Sligo) and Lifford, Ballyshannon, Letterkenny and Donegal (Donegal). Both Sligo and Donegal have extended coastlines, while Donegal also has some very peripheral communities and also an extensive Gaeltacht area. The rurality of the region is evident in the population density statistics: 83 in Sligo and 74 in Donegal, compared to the national figure of 146. In 2002, the combined population of the two counties was just under 200,000. Population shift from rural to urban areas is a feature of both counties, as is net out-migration among the working age population. The reduction in public service provision and the declining agricultural sector are accelerating the population decline in rural areas in both counties. The labour force participation in the region is lower than the national average at 66 per cent for men in both counties and 42 per cent and 47 % for women in Donegal and Sligo respectively.

### **Economic Profile**

The economy of the North West Region has been beset by economic and infrastructural deficits and in particular poor investment in infrastructure has exacerbated geographical peripherality (IBEC,2005). Road infrastructure targets set under the National Development Plan have not been reached, regional airports are underdeveloped and

broadband technology is not yet fully available. Sligo is served by the Sligo Dublin rail link, but there is no railway network in Donegal. Both areas are served by the Expressway bus services which link major towns and by rural bus services which serves smaller towns and villages. These latter, however, have contracted over the years and services are now infrequent.

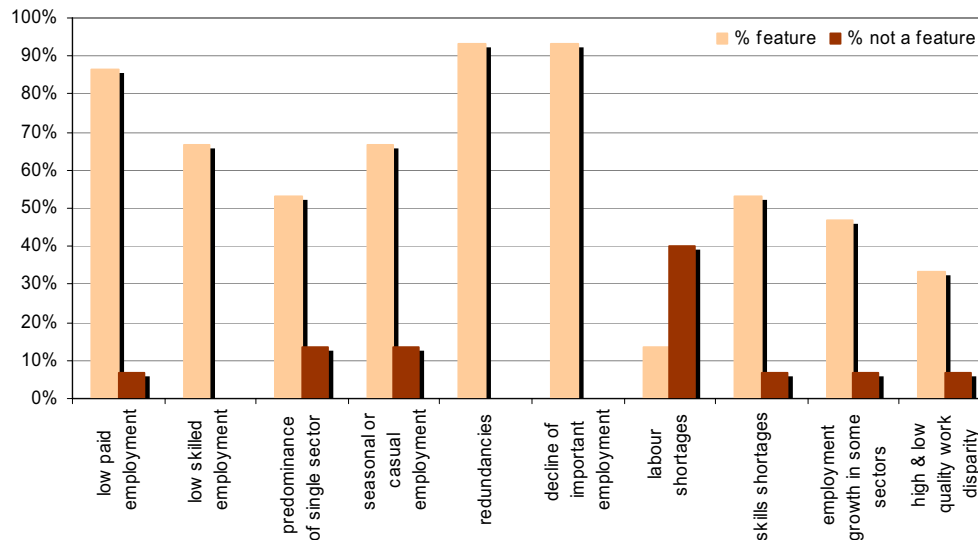
Agriculture is in decline in the region although it still accounts for a significant proportion of those at work. Farms are smaller than the national average, farm incomes are low and a high percentage of farm households are dependent on either welfare income or alternative enterprises. These factors are seen as contributing to a high level of rural deprivation in the region.

Traditional manufacturing is also declining while new service sectors are emerging. These are largely fuelled by foreign direct investment and include internationally traded services, health care and niche tourism. High tech, knowledge based industries are seen as the best way forward for the region, but there is no catalyst for such development and no IT based industry in the area. Many of the existing businesses are small scale, operating in struggling sectors and highly dependent on public sector support. In addition, lack of innovation and lack of support for innovation have also been identified as impediments to economic development.

Of the two counties, Donegal faces the greater economic difficulties. More peripheral than Sligo, its transport and communication infrastructure is less developed. Economically, it has been badly hit by the decline of the textile industry locally, which shed more than 4,000 jobs since 1999, or 5 per cent of the total workforce of the county. The textile industry, which was considered steady and well paid, was attractive to local workers, many of whom left school as soon as they could to take up employment. The decline of the industry means that both the skills and labour market orientations of local workers are now redundant (Donegal County Profile, 2002).

Problems at the level of the local labour markets were identified by respondents to the survey of *service providers*. Redundancies and the decline of important industry were the two most frequently mentioned problems, but the prevalence of low paid employment, low-skilled employment and casual or seasonal employment was also noted as was the predominance of a single sector within the local labour market (Figure 3).

**Figure 3 Characteristics of Local Labour Markets, Donegal / Sligo: proportion of respondents indicating existence of specified features**



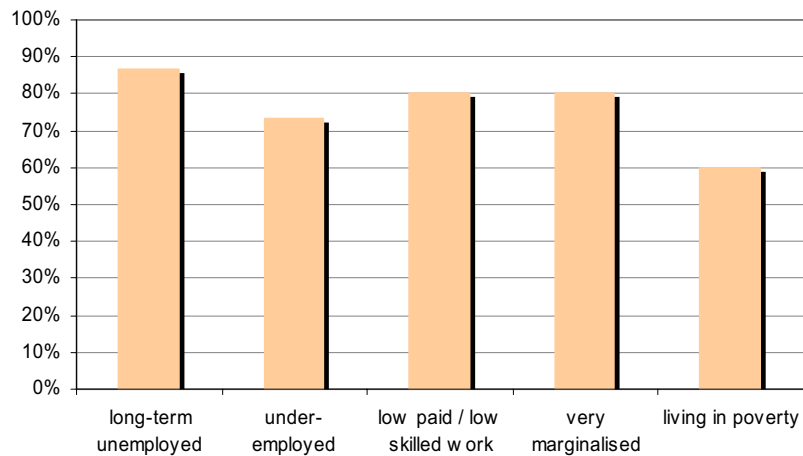
### ***Disadvantage and deprivation***

Although they share certain economic and infrastructural problems, in terms of social exclusion and disadvantage, the counties of Sligo and Donegal appear to have less in common.

- In Sligo the unemployment rate (based on Census data) is comparable to national figure at 10% for males and 7 % for females. In Donegal, the rates are considerably higher at 17.5 % and 12.6 % respectively.
- Educational attainment in Sligo is on a par with the national profile, however data for Donegal shows considerably lower levels of attainment there. One third of the population of Donegal whose full time education had ceased have only primary level education or less. The figure for both Sligo and the State is less than one quarter. Over one third of those who had left school in Donegal had done so by the age of 15, compared with just over 20 % in Sligo. At the other end of the spectrum, just 18 per cent of Donegal's population had Third Level education compared with 26 % nationally and 25% in Sligo.
- The diversity in overall educational profile is also reflected in the educational attainment of the unemployed. In Donegal, 40 % of the unemployed have no formal education or have primary level only, compared to 30 % in Sligo and 29.5 % nationally. Donegal also has the second highest school drop-out rate in the country with just under three-quarters of all students completing Leaving Certificate.

- On some other indicators, the disparity between the two counties disappears. For example, the proportion of lone parent households in both Sligo and Donegal is close to the national average at 11% and 12 % respectively, although the figure rises sharply in some urban areas. Similarly, the incidence of disability in both counties, overall and by age, is close to the national figures. In 2002 there were just under 19,000 people with a disability in the region.
- In terms of financial well-being, such data as is available suggests a degree of relative disadvantage in the two counties. In 1998, average annual wages and average industrial salaries were lower in Sligo than in the west generally or in the state as a whole (Sligo County Development Strategy, 2002). More recent data shows that in 2001, the average disposable income per person in Donegal was €2,176 less than the national average (Donegal County Profile, 2002). Farm incomes in both counties is also lower than average. For example, in 2000 average farm income in Donegal was half the national average.
- Despite these similarities, the Affluence / Deprivation index again highlights the differences between Sligo and Donegal. The figure for Sligo is close to the national average and the rate of improvement is also similar. In Donegal, absolute disadvantage is more pronounced although the relative position has improved slightly. More telling of the distribution of disadvantage in the two counties is the fact that in Sligo, no Electoral Divisions were rated as extremely disadvantaged and just 11 were classed as disadvantaged. In Donegal, in contrast, no Electoral Divisions were classed as very affluent. Most were classed as disadvantaged with a sizable number classed as either very or extremely disadvantaged (Gamma Baseline Data Reports, 2004).
- Documented problems in the Donegal / Sligo region are reflected also in responses to the survey of service providers in the area. The vast majority of respondents indicated that their catchment area contained large numbers of or concentrations of people who were under employed, in low paid or low skilled work, very marginalised, long-term unemployed or living in poverty (Figure 4).
- Finally, 60% of respondents in the Donegal / Sligo region said that their entire catchment area was an unemployment blackspot, while one third said it contained unemployment black spots.

**Figure 4 Profile of Catchment Areas: Donegal / Sligo: proportion of respondents indicating existence of specified groups**



### 2.3 Conclusion

The two areas of counties Donegal / Sligo and North Dublin City were selected in order to provide contrasting contexts within which to explore labour market vulnerability and there are some striking differences between the two regions. Donegal / Sligo display infrastructural underdevelopment, rural isolation, loss of traditional industry and are lacking an economic driver. Overall, it appears that this region, and particularly, Co Donegal is economically under-developed, with an insufficient demand for labour – in many ways reflecting the situation that prevailed throughout the country in the early 1990s. One consequence of this, in terms of creating inclusive labour markets, is the importance of self-employment and enterprise development in this area. In Dublin, economic development *per se* is not the issue: there is strong and continued growth in employment in the Dublin labour market. Here, the problem is the existence of localities and large numbers of people within them who have been largely untouched by the benefits of employment growth while frequently being adversely affected by job losses.

In both areas, there is ample evidence that macro economic trends which may balance out at national or regional level or even produce a net beneficial effect, can have dramatic and negative impacts at local level. Given that people in general and marginalised people in particular tend to operate in localised labour markets, this amplification of economic trends at the micro level has profound implications for labour market inclusion. In particular, it highlights the fact that labour market vulnerability is not a residual problem of the previous decade, but is intrinsic to contemporary economic processes. This has significant implications for labour market and social inclusion policy at national and local levels, which are discussed in subsequent sections.

### **Section 3. Barriers to Participation in Employment and in Labour Market Programmes**

The preceding discussion provides an insight into the economic context within which the challenge of creating inclusive labour markets was explored. The emphasis on labour markets within the work of the NESF is an important broadening of the policy focus from a concentration on issues such as the characteristics of the unemployed and onto the context within which these characteristics are rendered problematic. Factors contributing to unemployment that exist on the supply side (such as low education), continue to be pressing issues in the context of developing strategies to achieve inclusion. Consequently, the concern with promoting access to education and training opportunities, and with achieving progression outcomes from these, remains relevant. However, in order to progress the objective of including vulnerable groups in employment, it is necessary to understand all of the factors that contribute to their vulnerability, including those that arise on the demand side of the labour market and those that arise within the processes through which supply and demand are reconciled. In other words, it is not sufficient to scrutinise the characteristics of marginalised groups, instead we must examine the full range of factors that render them vulnerable on the labour market.

It is also important to acknowledge the wider policy arena within which labour markets exist and the way in which this impinges upon labour market activity and decision making. Of particular relevance here are those policy areas relating to needs such as housing, health, childcare, transport and so on. In Ireland, the policy framework is such that to a great extent social goods such as housing, health and childcare must be purchased by households or individuals and at high cost. The provision of welfare reflects these high costs through the range of secondary benefits and discretionary payments to welfare dependent people and households. Moving from welfare to work invariably results in the partial or complete withdrawal of these subsidies and benefits. In the context of low paid employment, this results in a disjuncture between welfare income and potential earned income and consequently to the existence of welfare traps.

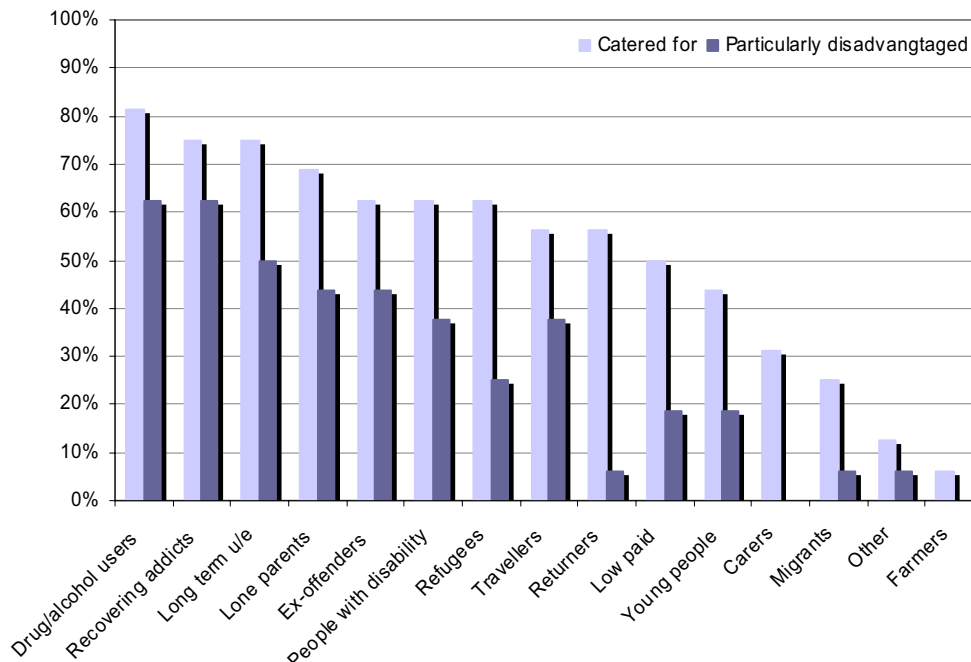
Against this backdrop, barriers to participation in employment were explored with both *service providers* and *service users*. In the case of *service users*, the focus groups were the single source of data on this issue. In relation to *service providers*, their views on the barriers to participation were explored through focus groups, through the survey and to a lesser extent through the follow-up interviews. While this approach may appear to prioritise the views of *service providers* over those of service users, we can note that whereas the survey elicited perceptions of the existence and severity of discrete barriers, the focus groups provided an opportunity for a more dynamic discussion allowing the combination of barriers and local level processes to be explored. Consequently, in this section we provide the survey data as background and emphasise the discussion in the focus groups, thus providing a greater balance between the views of *service providers* and those of *service users*.

### 3.1 Service Providers Views on Barriers: Overview of Survey Data

The previous section noted the high proportion of *service providers* in both North Dublin and Donegal / Sligo who identified problems existing in their catchment areas and in the local labour markets. In both areas, very high proportions indicated that the local labour markets in which their user groups were seeking work were characterised by redundancies and the decline of important industry, by a growing disparity between high and low quality work and by low paid employment. The local areas within which the service providers worked were perceived to have high concentrations of people experiencing poverty, exclusion and labour market marginalisation.

Unsurprisingly, therefore, the user groups that were catered for by *service providers* include many of those identified by the NESF as amongst those most likely to be disadvantaged on the labour market. In North Dublin, the *service user* groups catered for included the long-term unemployed, lone parents, people with disability, ex-drug users, ex-offenders, members of the Traveller community, asylum seekers and refugees and people recovering from drug use. Among these, the most acutely disadvantaged were identified as those recovering from drug use, ex-offenders, members of the Traveller community, long-term unemployed people, lone parents and people with disabilities (Figure 5).

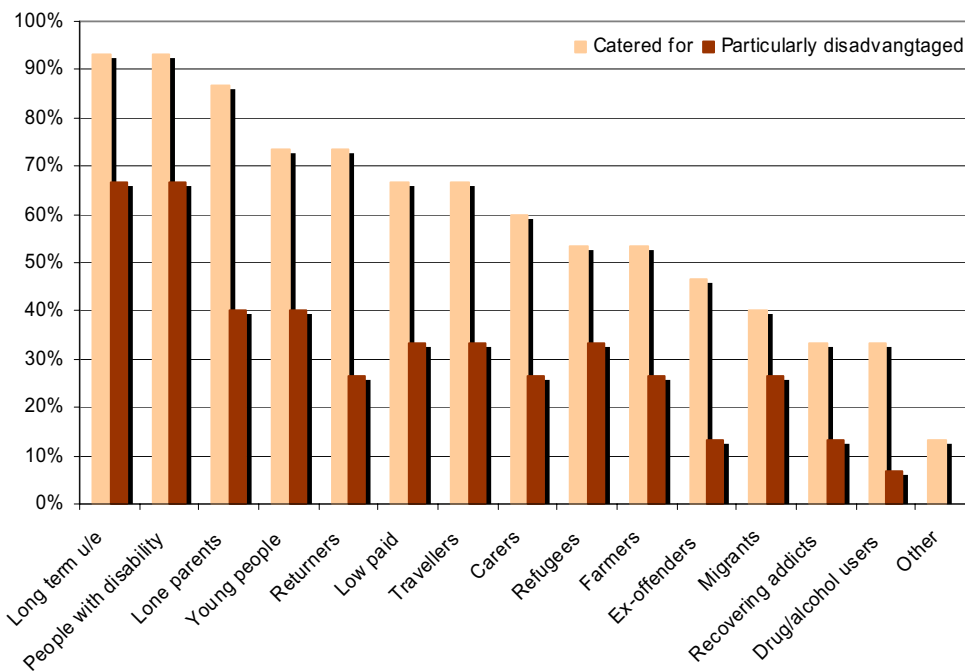
**Figure 5 Groups Catered for by Service Providers and Groups considered Particularly Disadvantaged, North Dublin**





In Donegal / Sligo, the groups catered for included long-term unemployed people, people with disabilities, lone parents, women returners, low paid workers, members of the Traveller community and carers. Among those identified as being the most disadvantaged were long-term unemployed people, people with disabilities, migrant workers and refugees (Figure 6).

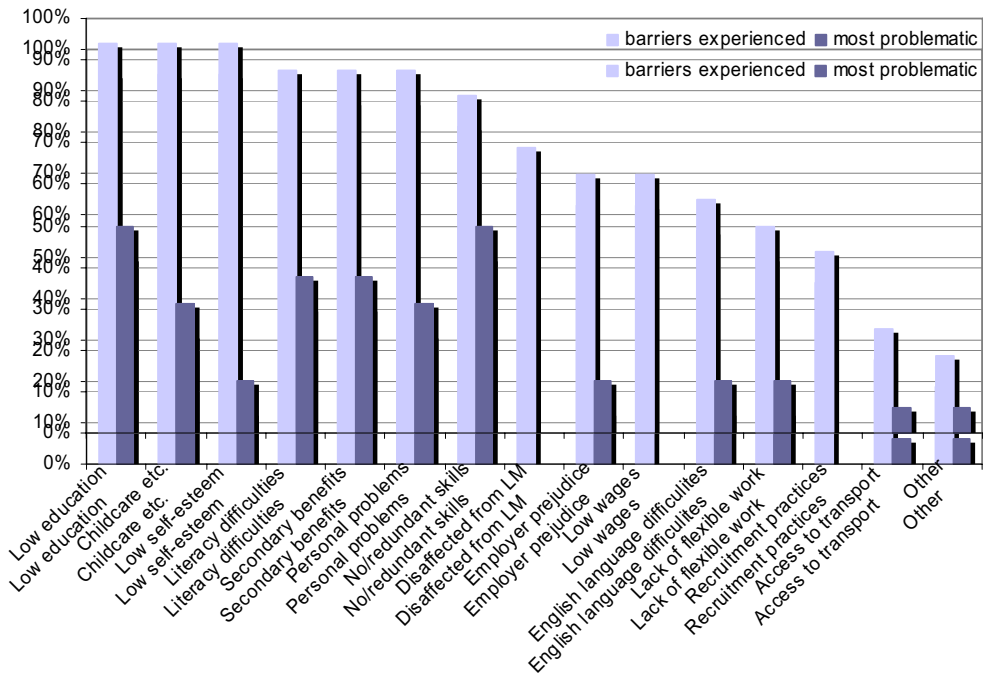
**Figure 6 Groups Catered for by Service Providers, and Groups considered Particularly Disadvantaged Donegal / Sligo**



Respondents were also asked to identify the barriers to employment affecting their user groups and also to indicate which of these were the most problematic. In both study areas, a number of barriers were referenced almost unanimously by respondents. But there was far less consensus regarding the most problematic amongst these.

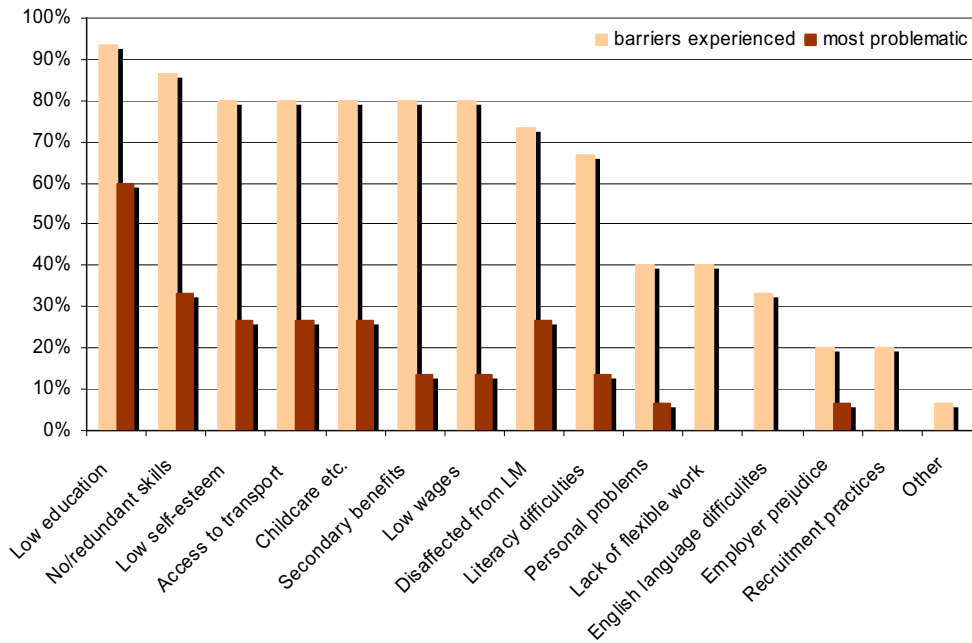
In North Dublin, the principal barriers identified were low levels of education, childcare issues and low levels of self-esteem. Barriers arising from literacy difficulties, loss of secondary benefits, personal problems and low or redundant skills were also frequently noted. Fewer respondents cited demand side barriers such as employer prejudice or low wages. However, a substantial proportion of respondents (69%) indicated that disaffection from the labour market on the part of user groups was a barrier to their employment. When asked to identify the most problematic barriers, the responses were more dispersed and reinforced the emphasis on supply side factors. Most frequently mentioned were lack of skills and low education. Demand side barriers were infrequently seen as the most problematic encountered (Figure 7).

**Figure 7 Barriers to Employment, North Dublin: Proportion of respondents indicating the experience of specified barriers and the most problematic barriers.**



In Donegal / Sligo, a similar pattern in relation to barriers in general was found. Here, the majority of *service providers* cited low education, low skills and low self-esteem as significant impediments to employment. Also frequently identified was limited access to childcare and limited access to transport. The loss of secondary benefits also featured. Almost three quarters of Donegal / Sligo respondents believed that disaffection from the labour market on the part of their user groups was a barrier to their employment. In contrast to the situation in Dublin, demand side barriers were more frequently mentioned in Sligo / Donegal. Over three quarters of respondents referred to low wages as a barrier and 40 % to the lack of flexible work opportunities. When asked to identify the most problematic barrier for their user groups, there was again no clear consensus with a wide variety of barriers being cited. The only exception was low education levels which were referred to by 60% of Donegal / Sligo respondents (Figure 8).

**Figure 8 Barriers to employment, Donegal / Sligo: Proportion of respondents indicating their experience of specified barriers and the most problematic barriers.**



The issue of barriers to participation in employment and to participation in labour market programmes were also explored through both the *service provider* and the *service user* Focus Groups. A wide range of barriers was identified by participants in these, most of which have been identified and documented by previous work. Consequently, the current study adds little to the inventory of barriers already known to exist. Where this study does try to shed new light is on the dynamics of labour market exclusion and how specific barriers are situated and compounded within these.

In the rest of this section, we explore these issues. First, as a preface to this, Table 2 provides an overview of the individual barriers identified by Focus Group participants.

**Table 2 Overview of Barriers to Participation in Employment & Programmes**

<b>Barrier</b>	<b>Employment</b>	<b>Programmes</b>
Economic issues	No jobs due to decline in local economy Unsuitable jobs due to sectoral shifts in local economy. Low wages / Precarious jobs	
Information / Recruitment practices	Information on jobs not widely available Employers using informal networks Employers screening out certain categories of worker	No outreach strategies in place Documentation not tailored to literacy / language needs.
Minimum entry requirements / criteria	Educational level set too high Experience required too much Recent references required	Educational level set too high. Foreign certification not recognised Live Register or other admin criteria.
Prejudice	Employer prejudice against certain groups, including ethnic groups, Travellers, people with disabilities & people from certain areas.	
Lack of personal supports / flexibility / situational factors	Limited opportunities for flexi working / job sharing Limited supports for people with disability Poor physical access	Lack of relevant personal supports Lack of recognition for minority cultures Poor physical access Inappropriate locations and timing of programmes
Welfare issues	Poor information on impact of employment on welfare income and supports. Actual impact of employment on welfare income and supports. Loss of LTU status & associated eligibility to participate on programmes	Inadequate information on impact of employment on welfare income and supports. Actual impact of employment on welfare income and supports. Tensions between support / control function of welfare to work strategies.
Financial	Participation costs Opportunity costs	Participation costs
Infrastructural	Lack of affordable transport Lack of affordable childcare Lack of affordable social care	Lack of affordable transport Lack of affordable childcare Lack of affordable social care
Skills / labour market orientation	Lack of relevant skills Low level of education Lack of work history Disaffected from labour market Language difficulties	
Personal	Health issues Alcohol / drug related problems Low self-esteem Literacy difficulties Psycho-social problems Homelessness Prison Record	Health issues Alcohol / drug related problems Low self-esteem Literacy difficulties Psycho-social problems

### 3.2 The Dynamics of Labour Market Exclusion

The *service provider* focus groups and subsequent in-depth interviews, as well as helping to identify individual barriers experienced by those vulnerable on the labour market, also provided an opportunity to discuss the relevance of contextual factors within which labour market marginalisation occurs and to explore the ways in which individual barriers combine to create adverse labour market dynamics at local level. Participants in the *service provider* focus groups included representatives of many organisations that have been involved in the delivery of services to marginalised user groups for a considerable period of time. As already noted, their views on the contemporary situation were informed by their retrospective assessment of the evolution of labour market vulnerability over time and the adequacy of responses to it in the contemporary context.

The focus groups for *service users* also explored the ways in which individual barriers combine to create problematic dynamics within local labour markets. As noted earlier, the *service users* that participated in the focus groups had between them a very wide range of experience in relation to participation in labour market programmes and in employment. They included young people with little or no experience of work, people with sporadic and insecure employment and people with more extensive employment histories but who were now redundant.

Despite the considerable difficulties they outlined in relation to getting back into employment, all were still seeking work and all were looking for employment within or adjacent to the areas in which they lived. In addition, all had considerable experience of using labour market and related services.

The discussions at all four focus groups were wide-ranging and varied. However, three central themes can be identified. These are:

- A. The implications of the local economic, labour market and infrastructural context
- B. The different levels of incorporation into employment experienced at local level
- C. The difficulties that arise within the welfare to work policy and provision framework.

These three themes are discussed in the following sections.

#### **A. The implications of the local economic and infrastructural context**

In both North Dublin and Donegal / Sligo, the focus group participants highlighted a number of problematic aspects of the local economy and infrastructure. The two principle issues identified were the negative impacts of economic changes at the micro level and the implications of poorly developed local infrastructure for efforts to overcome these. Both separately and in combination, these economic / infrastructural

issues were seen to produce variable problems and outcomes for different categories of people.

In terms of the impact of economic change at the micro level, two features were frequently referred to. These were:

- the unavailability of jobs within the very localised areas that marginalised people seek employment in.
- in localities where jobs exist they were catering for only a component of the local labour supply.

In pockets of North Dublin and more generally in Donegal / Sligo, there was a perception among *service providers* that there was little or no employment available within the localised labour markets that vulnerable groups seek employment in. This was the view also of a wide range of *service users* including those with little or no skills, those with skills who had been made redundant, and immigrants whose skills and qualifications were not recognised here. To an extent, this problem is due to the loss of industrial jobs which had been relatively skilled and well paid. In North Dublin, as already noted, the computer industry has been shedding jobs for several years while in Donegal the decline of the textile industry has been very significant. Additionally, in the Donegal / Sligo region there is also ongoing decline of employment in both farming and fishing. In the view of *service providers*, both industrial redundancies and the decline of agriculture and fishing are creating new unemployed workers who are finding it difficult to get alternative employment.

However, the unavailability of jobs within the localised labour markets was also seen by *service providers* as an aspect of the regional and local manifestation of the shortcomings associated with national economic development strategies. This issue was articulated differently in the two study areas. In Donegal / Sligo, the central problem was seen as the failure of national development strategies to take account of regional conditions. In North Dublin City, it was perceived as the failure to develop linkages between the work of the national agencies responsible for economic development and that of the local development agencies, which have a remit for social inclusion.

In both study areas, there was also some experience of growth in the service sector and particularly in the hospitality sector, in retail and in call centres. These sectors, however, were seen to provide different types of jobs than the manufacturing sector and to attract different categories of workers. Thus, while employment opportunities exist for some people at local level, other potential workers (including older and skilled workers) are impeded from availing of these. A number of reasons for this were cited:

- People coming out of industry or fishing / farming often do not have the confidence to take up employment in the service sector
- Low skilled work is unattractive to people because it locks them into low pay, provides no opportunity for training or advancement and is often associated with long, irregular and anti-social hours.

- Many of these jobs pay minimum wage, and people with family responsibilities cannot afford to take these.
- Loss of secondary benefits exacerbates the unattractiveness of low paid jobs. Rent allowances and medical cards emerged as the two most important benefits, which people were reluctant to jeopardise.

The limited employment opportunities at the local level were compounded by infrastructural deficits. In both regions, the lack of childcare was widely referred to by both *service users* and *service providers* as a major barrier, particularly but not exclusively for lone parents. Lack of childcare provision at local level, and the high cost of private childcare, meant that most people had either to rely on family or friends or forego employment opportunities. For lone parents in particular, the lack of childcare was seen as either locking them out of the workforce altogether or locking them into a situation of under employment. The issue of public transport was also cited as problematic, particularly in the Donegal / Sligo region, again both on its own and in combination with other difficulties.

### ***B. Different levels of incorporation into employment***

The outcome of economic processes at the micro level determines the overall availability of employment opportunities within local labour markets. However, these opportunities are not available to all categories of workers due to a combination of factors including personal problems, lack of skills or other pre-requisites and employer preferences and practices. Some workers do not have the skills to avail of local employment opportunities; some may have the skills but are excluded as a result of the recruitment practices of employers, the lack of childcare or transport, or the impact of the potential loss of secondary benefits; others experience direct discrimination. These local labour market dynamics produce different levels of vulnerability amongst local labour supply. This study identified three levels of vulnerability.

#### **• Those excluded from the labour market:**

At the most marginalised level are those people whose skill, educational and employment deficits are accompanied by personal and social difficulties. The latter may include literacy and numeracy problems, health and disability problems, low self-esteem, and in some instances acute problems such as addiction, prison records and homelessness. Social groups that experience these difficulties are the most vulnerable on the labour market, and they include members of the Traveller community and ethnic minorities whose experience of these problems is often a result of discrimination in society in general. Also included among the most vulnerable are those people, mainly men, who were marginalised on the labour market in the 1980s and whose now extensive period of unemployment is compounded by personal difficulties.

The problems that people in this category bring with them to the labour market are exacerbated by the reluctance on the part of employers to hire them. *Service users*, in particular, placed strong emphasis on the barriers arising from the practices and

preferences of employers and stressed the very significant obstacles they perceive to emanate from this. Many believed that employers were prejudiced against them and were negatively disposed towards any job applications they made. Some groups experienced this more strongly than others: members of the Traveller community and people with disabilities in particular expressed this problem. In North Dublin City, the view was also expressed that employers were unwilling to employ people from certain parts of the city. In Donegal, there was a view that while the lack of employment locally was a problem, employer prejudice would ensure that even if jobs were available, some people would not be considered as potential employees.

Such individuals are the most vulnerable on the labour market: they experience a wide range of barriers including barriers arising on the demand side. They are also the category least likely to be absorbed into employment simply through the availability of jobs at the local level. Significant levels of intervention are required for this category targeting not just their own labour market deficiencies but also the prejudices they experience on the labour market. Notwithstanding the latter, the level of personal need and the requirement for intensive personal supports is significant within this category.

- **Those displaced from the labour market:**

The study identified another category of people whose vulnerability on the labour market is less extreme although clearly present. These are people who have some level of skill, education or experience albeit at low levels but who, for a variety of reasons, are unable to access the type of employment available within their local labour markets. Included here are people entering the labour market with low skill and / or low educational levels (such as early school leavers, some lone parents, or some women returners), those coming into the labour market with skills which are no longer required (including those being made redundant, some women returners and the older unemployed) and immigrants whose qualifications may be unrecognised in this country.

For these and others in similar situations, supply side interventions – such as training, education and work experience programmes – continue to be highly important. However, demand side issues impact heavily on their labour market well being too. The demand side obstacles include employer recruitment practices which are often based on informal networks, (this point was stressed in Donegal where the view was expressed that who you know matters in securing employment). Employer preferences for certain types of workers were also cited. *Service users* in both areas, for example, believed employers had a preference for people who could or would work for minimum wage and developed their recruitment strategies around this.

This category are, to a great extent, job ready but are prevented from entering employment because they do not have the requisite skills or experience for the type of jobs currently available, because they are locked out of employer recruiting networks and other relevant information networks or because the terms and conditions of employment, together with the loss of secondary benefits, would render them worse off in employment than unemployed.



- **Those unfavourably incorporated:**

Alongside the existence of groups who are marginalised or displaced on the labour market, there is a new and apparently growing cohort of workers who are in employment, but whose incorporation is on very unfavourable terms. There is, currently, evidence of a growth of precarious employment, that is low paid, low-skilled and insecure jobs, resulting in such phenomena as the working poor, and people who are continually in and out of the workforce as jobs collapse. Some *service providers* indicated that these are growing in numbers within their catchment areas and particularly, it seems, the number of men in precarious employment is growing.

Yet it is perceived that this category occupy a twilight zone. They are not the focus of policy and often do not sign on between jobs, thus they do not appear in the official statistics. For people whose only job opportunities are in precarious employment, choices can be quite difficult. A number of *service users*, for example, noted that they had to chose between taking up short term employment knowing it would be difficult to progress through this, or staying on the dole long enough to qualify for training for the long-term unemployed, which they felt would improve their situation in the longer term. This dilemma, of course, arises specifically from the prioritising of the long-term unemployed within welfare to work provision, a point we return to later.

While unaddressed within policy and provision, this category is likely to continue to grow. In the short term, precarious employment is problematic for those workers, and their families, for whom it is the only option. In the longer term, if it remains unaddressed, it has the potential to impact significantly on the experience of labour market problems at local level particularly in the event of any downturn in the economy. For those involved in precarious employment, in-work provision is particularly relevant.

### **The Implications for Labour Market Provision**

Across these three categories a finite set of discrete barriers interact in different ways to present a 'package' of obstacles that must be overcome if people are to move into stable employment. Within these packages of obstacles, some barriers are more amenable to intervention by local agencies than others: addressing a skills deficit, for example, on the part of unemployed people is a much simpler challenge for a local *service provider* than is addressing the issue of low pay or employer prejudice in the local labour market. However, given the degree of vulnerability experienced by marginalised workers, it cannot be assumed that resolving one or even some of the barriers they experience will bring about their inclusion in employment. As one *service user* put it: "what's the point in being trained up if all you end up with is a low paid job and no medical card". The implication of this for framing effective and efficient labour market inclusion policy is twofold: firstly, responses to labour market vulnerability should focus less on individual barriers and more on the dynamics of local labour markets within which these barriers interact and accumulate to present multifaceted impediments to employment; secondly

within this context, responses must be comprehensive, addressing in a timely manner all the difficulties that individuals experience in entering employment.

### **C. Difficulties arising within the welfare to work policy and provision framework**

Both service providers and *service users* identified a number of obstacles to participation in employment and in labour market programmes arising from current policy and practice. *Service users* tended to refer to gaps and weaknesses in current provision while service providers saw the concept and practice of targeting as problematic in the contemporary situation: in effect, opposite sides of the same coin. Both groups also identified difficulties arising from the dual control / support dimensions of welfare to work provision and from the impact of the withdrawal of secondary benefits.

#### **Gaps and inadequacies in current provision**

*Service users* who participated in the Focus Groups had a considerable degree of experience in using services and availing of programmes. The issues they identified as problematic were the following:

- **Poor information**

Securing information about jobs, welfare and the impact of employment on welfare incomes and secondary benefits were identified by service users as presenting particular difficulties. Not knowing where to seek information and support was a problem for those newly redundant who are not familiar with the system. However, even those who did know where to seek information sometimes found that the agencies they approached did not have accurate information, for example on the impact of earned income on welfare incomes, or on the services and supports that might be available to them.

- **Inadequacy of provision / supports**

Some *service users* expressed the view that service providers did not fully realise the difficulties they experienced in securing employment. In particular, it was felt that *service providers* did not fully appreciate that vulnerable people are often traumatised and isolated by their experiences or that employer responses to applications for jobs can be so negative. Certain categories of people also felt their specific needs were not being addressed. These included people with disability and members of the Traveller community.

Other aspects of the inadequacy of supports related to the provisions under the Family Income Supplement (FIS). Given the prevalence of low paid and precarious employment, FIS would appear to be a particularly relevant form of provision. However, the implementation of FIS and the criteria for eligibility render it problematic to avail of, particularly for people with irregular hours contracts.

- **Lack of progression supports**

Lack of support for progression from programmes was also noted, both in terms of progressing into employment and into other programmes. *Service users* felt that it was quite difficult to seek employment directly following participation on a programme, yet often there was no one to provide assistance. Progression to other programmes also presented issues. Most participants in the *service users* focus groups felt that agencies do not always work well together and they perceived that they were being shoved from one agency to another, rather than benefiting from smooth interagency co-operation.

### ***The Limitations of Targeting***

The focus on the dynamics of labour market exclusion and the identification of different levels of vulnerability, looked at earlier, calls into question the practice of targeting, or of tailoring provision for specific groups of people: such as people with disabilities, members of the Traveller community, lone parents etc. Targeting of provision has been a central element of locally-based responses to labour market marginalisation and social exclusion for over a decade and was based on the rationale that members of a target groups can share certain barriers– for example, members of the Traveller community tend to have low educational levels, while childcare is particularly problematic for lone parents– and can moreover share the experience of discrimination. While targeted measures can be of benefit in ensuring that certain groups are not excluded from provision, there appears to be a widespread perception amongst *service providers* that in the contemporary context it is more appropriate to focus on the needs of individuals, rather than on the labels attached to them.

The following criticisms of targeting were made:

- It tends to pigeonhole the individual, giving pre-eminence to their assumed experience of the generalised need pertaining to target group membership and ignoring their individual circumstances and needs.
- It compartmentalises the issues to be dealt with, fails to see the whole person and fails to see that individuals can belong to more than one target group.
- It reduces the individual to the problem, seeing them only through the lens of disability, or drug use for example and thus undermining a more holistic approach to addressing their needs.
- It presents the individual as problematic and conceals the underlying social processes.
- It glosses over the heterogeneity within target groups. The reality of disadvantage is deep and complex and cannot always be read off from the 'label' attached to people. For example, labelling someone a drug user is insufficient to grasp the specific needs of different categories of drug users – those on methadone maintenance programmes for example, or second-generation users.

### ***The Control / Support Nexus***

Welfare to work policy within the social welfare system embodies both support and control mechanisms. The balance currently being struck between these two elements was identified as problematic by both *service users* and *service providers*. The current context for the implementation of welfare to work policy is a perception of full employment and associated with that the perception that access to employment is relatively straightforward. There is therefore pressure on the social welfare system to place greater emphasis on the control rather than the support side of welfare to work policy. Similarly, conceptualising current labour market exclusion as an aberration or a ‘hangover’ from the period of high unemployment has resulted in restrictions in the eligibility criteria for labour market programmes to those whose duration of exclusion is longest, and to a lesser extent to those who are older.

However, both service users and service providers articulated the view that the emphasis on control could potentially be counter-productive. Three issues in particular were noted as problematic: eligibility criteria based on administrative priorities that do not reflect actual need; insufficient attention paid to the quality of provision due to the problematising of vulnerable individuals as opposed to the context in which they seek employment; and, an unhelpful tension or distrust between the system and claimants.

- **Eligibility criteria**

From a service provider perspective, eligibility criteria for participation in labour market programmes or for prioritising access to training, which focus on claimants of social welfare payments, and in particular long duration claiming, owe more to financial, administrative and control requirements than to meeting the needs of people vulnerable on the labour market.

Service providers noted that such criteria could leave certain vulnerable individuals unable to access relevant supports, for example, the partners of low-paid workers, who do not qualify for social welfare payments. Similarly, the concept of spouses ‘swapping’ their eligibility to participate in labour market supports reflects an outdated notion that only one of a two adult household would seek paid employment. In addition, criteria requiring a long duration of social welfare claim, or restricting access to those over a certain age can mean support is withheld at a time when it might be most useful (for example when a person is newly unemployed rather than obliging them to become long-term unemployed).

Local specificities also came into play here and it was stressed in Sligo / Donegal that changes to eligibility for participation the *Back to Work Enterprise Allowance* had a very adverse effect in an area with little demand for labour and thus more reliant on self-employment.

*Service users* identified a similar set of barriers from their perspective: social welfare criteria present obstacles to those unable to claim payments themselves, although available for and actively looking for work. This is particularly a problem for women

(although not exclusively so); in particular the partners of low paid workers or unemployed claimants are frequently seen by the system as ‘dependents’, rather than labour market active individuals. Again, the requirement to be in receipt of a social welfare payment for an extended period, and/or to be over a certain age threshold (a particular issue for lone parents) also presented difficulties, which could result in an individual’s labour market decision making being over-determined by short-term financial constraints, rather than by long term employment sustainability: for example, having to make a choice between taking a short term job and losing long-term unemployment status, or remaining unemployed so as to be eligible to participate in training programmes for the long-term unemployed that might improve ones employment situation in the longer term.

- **Quality of provision**

The quality of provision for labour market vulnerable groups can also be affected by the perception that access to employment is relatively unproblematic and consequently that current exclusion is a result of poor motivation or lack of interest. This often results in a pressure on the control side of the system, which recognises participation in labour market interventions (regardless of their relevance or efficacy for a given individual) as ‘evidence’ of satisfying the ‘actively and genuinely seeking work’ criteria and conversely which views lack of participation as evidence of lack of interest.

However, there is ample evidence from innovative and pilot programmes to show that people from a broad range of labour market vulnerable groups are interested in participating in programmes which result in clear and demonstrable benefits. Good ‘word of mouth’ around such programmes often results in a demand for places far in excess of supply. Thus a programme / intervention which is experiencing difficulties in recruiting will benefit more from examining how the quality of the provision and outcomes can be improved, rather than relying on assumptions that unemployed people are simply not interested in improving their situation.

In both areas, *service users* expressed strong criticisms of the quality of provision. In particular there was a perception on the part of specific groups – such as members of the Traveller community, or people with disabilities – that service providers are unaware of how to address their needs, despite training. There was also a perception that poor quality reflected low levels of expectations from *service providers* in relation to certain categories of target group.

- **Distrust within the System**

Finally, in terms of difficulties arising within the welfare to work framework, we can note the level of reciprocal distrust between the system of welfare delivery and its clients.

Negative experiences of being referred for interview under the Employment Action Plan, which was often seen as being more focused on form filling and identifying fraud than offering appropriate supports, were cited by *service users* in this regard; however, many

service providers also questioned the value of this process in achieving sustainable labour market integration outcomes.

From the perspective of *service providers*, a system that was predicated on control could render their support function difficult. For their part, service users expressed a number of criticisms of the service provision framework and the agencies operating within it. This included, as noted above, the view that *service providers* do not fully appreciate the level of difficulty that vulnerable people experience on the labour market, that they do not fully understand the prejudice they experience from employers and, in some instances that they do not adequately cater for their needs. More specifically, service users also expressed the view that they had difficulties trusting a system they perceived to be more about control than support. This could manifest in reluctance on the part of people to apply for financial benefits or other supports to which they were entitled, for fear of officialdom penalising them in some other way. This in turn has implications for the capacity of the system to engage with people vulnerable to labour market exclusion, and in relation to developing services and supports to address the barriers facing these populations in an appropriate manner.

#### **Broader Policy Context: Loss of Secondary Benefits**

Finally, there was the issue of the impact of the broader policy context on labour market activity and decision making. The impact of earned income on welfare income and on secondary benefits has been flagged as a major barrier to progression to employment for welfare dependent people for some considerable time now. From the perspective of service users, in particular, there appears to be two main dimensions to this issue.

Firstly, the actual loss of benefit as a result of moving into employment is too great for households to sustain given the high costs associated with purchasing social goods. The two most valuable benefits for households were the medical card and rent allowances.

For households with children, for example, losing their medical card exposes them to a significant burden on earned income amounting to a financial penalty for taking up employment. Similarly, in the current housing context, people depending on rent allowances, are unlikely to be able to move into employment that would enable them afford market rents.

A second issue in relation to the withdrawal of secondary benefits, arises from the complexity of the current system. Within this, and in the context of inadequate information already noted, people find it difficult to ascertain exactly what will happen to their benefits if they take up employment. One participant related how, when she sought clarification on this issue, she was advised to take the job and “we will sort it out later”. For people in difficult financial circumstances, however, this kind of approach is not an option. Consequently, lack of accurate information in itself and the fear of loss of benefits, also act as real barriers.

### 3.3 Summary

In this section, we discussed the individual barriers to employment and to participation programmes identified by both *service users* and *service providers*. Most, if not all, of these barriers have been identified by previous studies. However, from the discussion of the dynamics of labour market exclusion, it is clear that these barriers can be individually delineated only at an analytical level. The discussion in this section has tried to show, that in the process of labour market marginalisation, barriers are rarely experienced individually, but in groupings or clusters. Moreover, these clusters are not confined to the characteristics of individuals but extend to the practices and preferences of employers and to the anomalies of social policy. If comprehensive approaches to creating inclusive labour markets are to be identified, it is necessary to engage with all the arenas within which barriers arise. In view of this, we reassess the individual barriers identified in Table 2 in terms of the arenas in which they are located (Table 3).

**Table 3 Labour market barriers and arenas in which they are located**

Personal Factors	Labour Market Factors		Economic Factors	Social Policy Factors
	Supply side	Demand Side		
Health issues Literacy difficulties Psycho-social problems Homelessness Prison records	Limited information on jobs Low educational attainment Low skills levels Lack of work history Disaffected from the labour market Language difficulties	Informal recruitment practices Minimum entry requirements Prejudice Lack of flexible working Lack of supports for PWD / physical access	No jobs Sectoral shifts Low wages Precarious employment	Anomalies in social welfare system Welfare traps Participation costs Childcare & other social care Transport

One of the main implications of this approach is that the concept of good practice residing in a specific intervention has to be reconsidered. If good labour market practice is understood as enabling *individuals* make the transition from welfare dependency (or the risk of welfare dependency) to stable employment, then what is important is not that there are interventions or programmes that try to achieve this by anticipating the requirements of specific groups, but that all the elements necessary to identify and address the needs of individuals are in place at local level: In effect, an a la carte ‘menu’ of services, from which every vulnerable individual can chose or be assisted to chose the appropriate elements which can work together to achieve a positive result. Within this perspective, good practice exists not at the level of individual labour market programmes, but at the level of *local labour market inclusion strategies* which include the full range of elements to allow individuals select from them as appropriate to their own needs and circumstances. In the course of this study, elements of good practice in local labour market inclusion strategies were identified. These are presented in the following section.

## Section 4. Creating Inclusive Labour Markets

Before going on to look at the elements of good practice in inclusive local labour market strategies, it is useful to briefly recap on a number of the key points discussed so far. These can be summarised as follows:

- a) labour market vulnerability is not simply a feature of supply side deficits, but of the way in which barriers that exist on the supply and demand side interact, compounded by deficits and anomalies in social policy,
- b) the reproduction of labour market vulnerability is an intrinsic feature of contemporary economic processes and
- c) the impact of these economic processes can be amplified at the micro level forging local labour markets the features of which cannot be read off from national or even regional statistics.

It is also important to stress that the contemporary experience of labour market vulnerability occurs in the context of strong economic growth and almost full employment which is both qualitatively and quantitatively different to the context which pertained in the 1980s and early 1990s. Creating an inclusive labour market requires that both this context and the specifics of labour market vulnerability are acknowledged. Against this backdrop, the four main parameters necessary to create inclusive labour markets are identified as:

- localised interventions that are capable of dealing with the specifics of the labour market at micro level;
- flexible and needs based approaches that can cater for individual needs while recognising the shared experiences of certain groups;
- multi-faceted interventions that can either simultaneously or in a timely manner address the diverse and multiple barriers that individuals encounter
- comprehensive approaches that can address barriers in all four arenas identified earlier – personal circumstances, employment related skills and qualifications, employer practices and preferences and social policy.

### 4.1 Local Responses to Labour Market Vulnerability

In 1990, the National Economic and Social Council (NESC) in its policy document, *Strategies for the Nineties*, argued that *“The concentrated incidence of unemployment, low incomes and deprivation in certain communities and regions gives a prima facie case for developing area-based programmes”* (NESC, 1990). Since then, the principle of locally based interventions has become embedded in strategies to combat social and labour market exclusion. Its emergence as a principle of social policy provided an opportunity for organisations and people who had already been working to combat exclusion at a local level to become more formally involved in the delivery of public policy. It is not



surprising, then, that local interventions were favourably received or that they have come to be seen as the most appropriate way to implement many of the policies to combat social exclusion that have been introduced since the early 1990s. The result is a very diverse range of programmes now being implemented via local structures and funded by number of Government Departments (see Table 1).

Numerous evaluations and assessments of locally based approaches have been undertaken (Craig & McKeown, 1994; Sabel, 1996; Walsh et al, 1998; Duggan, 2000). While it is outside the scope of this study to review these, we can note that there is, broadly, a consensus that local approaches have achieved the following:

- local agencies have acted as catalysts of change at local level
- a certain amount of programme bending or programme focusing has taken place at local level
- examples of innovation and good practice, which could not be achieved without a local focus, have been identified
- local people have been empowered to better understand the processes underpinning social exclusion and socio-economic disadvantage and to contribute to identifying solutions
- local employers have been made more aware of the needs of the unemployed and more willing to be part of the response to unemployment
- local partnerships have provided a forum for debate and discussion

Local initiatives, therefore, have become a valuable component in efforts to combat labour market vulnerability and social exclusion more generally and are the cornerstone of local labour market inclusion strategies. It is also important, however, to acknowledge the downsides that result from the current proliferation of local agencies. Most of the organisations now operating at local level emerged in a time of economic crisis, in an ad hoc manner and with little or no strategic integration (see next section). The result is we now have a plethora of organisations at local level all engaging in various ways with aspects of the problem but no one with either the overview or the capacity to engage with the total problem. More specific limitations to local responses are looked at in the following paragraphs, but here it is important to stress that in promoting inclusive labour markets at local level it is policies and provision that is important and not structures. In particular it is important that the ongoing establishment of structures at local level does not become a substitute for effective policy making (we return to this point later).

**Table 1 Overview of Establishment of Local Initiatives, 1990 – 2005**

<b>Intervention</b>	<b>Date</b>	<b>Remit / objectives</b>	<b>Government Dept</b>	<b>Target Groups</b>
Community Development Programme	1990	Capacity building, combating exclusion	Department of Community, Rural and Gaeltacht Affairs	Disadvantaged communities
Area Based Partnership Companies (PESP)	1991 onwards	Respond to disadvantage at the local level	Department of Community, Rural and Gaeltacht Affairs	Long-term unemployed and other disadvantaged groups in selected areas
Money Advice Bureaus	1992	Budgetary advice to low income households	Department of Social and Family Affairs	Low income households/ welfare dependent households
County Enterprise Boards	1993	Promote micro-enterprise	Department of Enterprise, Trade and Employment	Potential entrepreneurs
Work experience programmes, including CEDP, CE, Full-time Jobs Option, Part-time Jobs Option, Jobs Initiative	1994 onwards	Provide work experience and re-integration to labour market	FÁS (Department of Enterprise, Trade and Employment)	Long-term unemployed, lone parents, etc
Local Employment Service	1995	Promote employment re-integration at local level	Department of Enterprise, Trade and Employment	Unemployed with specific categories prioritised
Integrated Services Project	1997	Improved and co-ordinated services at local level	Initiated by Tourism, Sport and Recreation, seeks to involve most Departments	Disadvantaged urban communities
Educational Disadvantage Programmes	Various	Integrated approach to overcoming educational disadvantage at the local level	Department of Education and Science, Combat Poverty Agency	Disadvantaged children, Disadvantaged schools
Community Drug Teams	1997	Community based response to drug problems	Department of Community, Rural and Gaeltacht Affairs	Communities with drug problems
Local Anti Poverty Strategies	2001	Roll out of NAPs at Local Level	Local Authorities	Poverty at community level
County Development Boards / Community Fora	2001	Integrated development at county level	Department of Environment, Heritage and Local Government	Community/Local development agencies
RAPID/CLÁR	2000	Promote integrated approach in specific areas	Department of Community Rural and Gaeltacht Affairs	Disadvantaged urban and rural areas

## 4.2 Developing Flexible Needs Based Approaches

The central premise of flexible needs based approaches is that each individual can receive the supports that they require, when they require them. This would be a difficult scenario to develop in a green field situation, it is all the more so in the current context in which a plethora of programmes, supports and practices have been in place for over a decade. *Service providers* involved in this study identified a number of key challenges arising from the contemporary situation.

- To a very large extent, the programmatic approach to labour market exclusion, which emerged in the late 1980s as a response to mass unemployment, remains intact. While many of these programmes developed and delivered within this approach have been valuable, and continue to be relevant, the one size fits all approach is over restrictive in the contemporary situation.
- Some modifications have been made to programmes in response to the changed context; however, these have tended to be driven by administrative or financial imperatives rather than by the needs of *service users*. The increased restriction of eligibility for BTWAS, for example, was much criticised by both service users and *service providers*.
- The basic premise of a needs-based approach is that people are offered the supports they require, when they require them and when they are able to avail of them. A key element of this is activating people when they are ready to be activated. Eligibility criteria that are based on administrative concerns rather than the needs of *service users* can be counter productive by withholding an intervention when it may be most needed and most valuable and risking subsequent demoralisation and disaffection.
- The practice of targeting, while useful in ensuring that certain very marginalised groups do get provided for, is increasingly being seen as little more than labelling, fragmenting the nature of the problem and, more importantly, the nature of the response, and in extreme instances ghettoising some target groups within low quality provision, disarticulated from the mainstream and from higher quality supports.
- Monitoring and evaluation systems that prioritise economic aspects place unhelpful pressures on organisations working locally. Some *service providers* felt they are seen by the funding Department or agency as being in the business of simply managing money rather than pursuing socially progressive objectives. Moreover, within this perspective, some felt they operated in a context of distrust. Consequently, it was noted that *service providers* do not value monitoring as an instrument of accountability because it does not capture the quality of the work they do.

- A related problem is the provision of short term funding linked to specific projects. This makes it difficult for local organisations introduce flexibility and ties them to a programmatic approach. It was also noted that if agencies funding is tied to output, it can make them reluctant to deal with hard to place groups.
- Finally, there is awareness amongst *service providers* that a needs-based approach carries implications for staff development and training that are not part of the current framework of provision. It is also important to note that the provision of training per se does not guarantee a knock on effect on service provision. In this study, groups such as Travellers and people with disabilities, who themselves had been involved in providing awareness training to *service providers*, did not perceive an increased quality of service.

These features of the current situation, present real challenges in developing flexible and needs-based provision at the local level and will require to be addressed in the development of local inclusive labour market strategies.

### 4.3 Developing Multi-Faceted Interventions

The underlying principle of multi-faceted interventions is that all of those difficulties that vulnerable people experience are addressed in a timely and integrated manner. This means, for example, that somebody who has a literacy issue and a skills deficit can have both addressed either simultaneously or by moving seamlessly from one element of intervention to another. It also means that the transition from training to work is effectively managed through providing elements such as work experience, mentoring, in-work support and so on. Again, in a green-field situation developing multifaceted provision presents significant challenges. In the contemporary context, however, given the range of agencies in place at local level, multifaceted interventions effectively means inter-agency working, which brings its own set of challenges. Key amongst these are the challenges of building linkages, co-operation and collaboration at the local level.

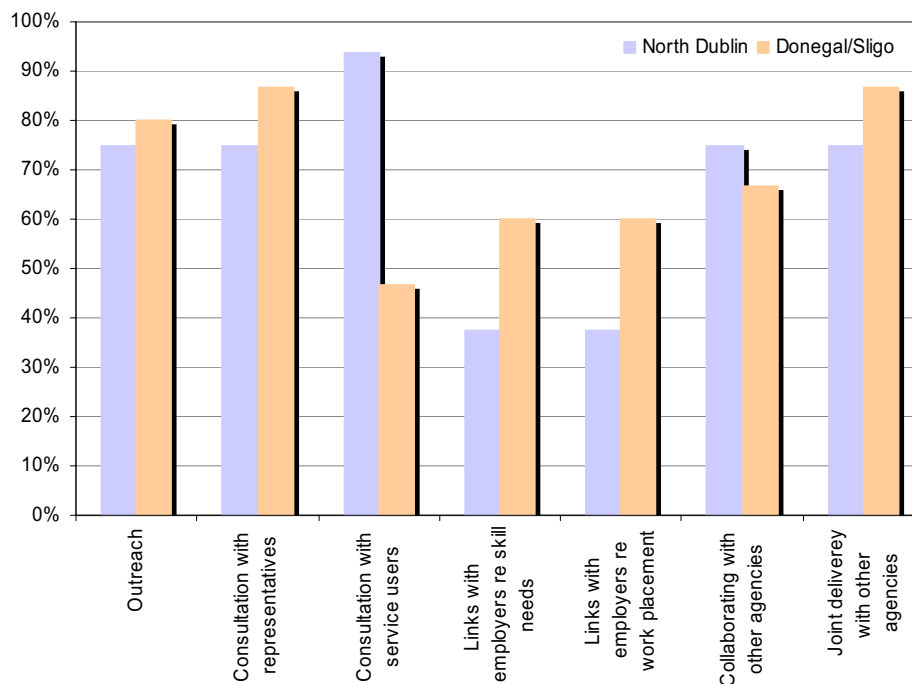
The survey of *service providers* sheds some light on this issue. The survey elicited information on the forms of provision currently in place and on the extent of collaboration and interagency working that already exists. Data on the former shows that in general the provision of personal supports and interventions targeting skills and educational issues are more widely available than are employer targeted measures or interventions dealing with social policy issues. More specifically, work place interventions are less frequently delivered.

Figure 9 shows that between 80% - to 100 % of respondents in both study areas were involved in addressing personal issues and in providing personal supports. The proportion of organisations providing workplace supports or addressing social policy issues was lower, particularly in North Dublin City.

**Figure 9 Main interventions delivered by Service Providers**

When asked to indicate the extent of collaboration and consultation with other agencies, respondents to the survey of service providers indicated a high level of linkage. In both areas, respondents reported a significant level of collaborating with other agencies and of working jointly with other agencies. Consultation with representatives of *service users* was also widely reported as was direct outreach to user groups. In North Dublin City, consultation with *service users* was widely reported. Organisations in Donegal / Sligo were more likely to report linkages with employers, both with regard to identifying skill needs and securing work placements (Figure 10).

Overall, it appears that there is a considerable degree of inter-agency collaboration already in place. However, a number of significant difficulties with this were identified. Firstly, it was widely noted that inter-agency working tended to be ad hoc and invariably dependent on personalities rather than on strategic approaches. Beset by an element of territorialism, interagency working based on personalities is partial, sporadic and subject to collapse if personnel changes occur. In its place, service providers argued that inter-agency working should be formally structured into the work of local agencies and reinforced through mechanisms such as building it into job descriptions and staff review processes and through capturing the extent and effectiveness of inter-agency working in performance indicators.

**Figure 10 Approaches used by Service Providers**

In terms of promoting more formal levels of integration or co-ordination at local level, significant problems also exist. Among the local interventions that have been established over the years, there are a number that were set up explicitly to have a co-ordinating role at local level. Included amongst these are the Area Based Partnership Companies, the Local Employment Services, the Drugs Tasks Forces, the RAPID / CLÁR programmes and the County Development Boards. While these organisations have been successful on a number of fronts, they have not succeeded in promoting strategic or comprehensive integration at local level. Two reasons were identified for this:

- Within the agencies that were set up to play a co-ordinating role, the mechanisms to secure integration exists at Board level, rather than executive level. In the experience of many of the *service providers*, this led to a number of problems. These included the fact that it is difficult to get all the relevant agencies to participate on the Board, it is difficult to get people at senior level to participate and it is difficult to secure the full commitment of the agencies that are represented on the Board. In addition, there no mechanisms at local or national level to lever more a more committed participation of the agencies represented at board level. This produces a double edged effect: on the one hand it delimits the capacity to draw on the budgets and expertise of agencies represented on the Board and to bend these to meeting local needs, on the other hand it means there are no mechanisms to bring learning into the agencies at central level and secure mainstreaming outcomes.

- In the absence of being able to influence the budgets and programmes of national agencies, and in the context of gaps in mainstream provision, agencies that were set up to coordinate and integrate services at local level, invariably find themselves being turned into *service providers*. That is they begin to compensate for the inadequacies in the mainstream by filling the gaps themselves. Once this shift to *service provider* role occurs, it has a self-perpetuating effect, with the result that agencies that were set up to introduce co-ordination have become part of the plethora of activity that now needs to be co-ordinated.

Again, these aspects of the current situation will need to be addressed, if the kind of effective linkages and collaboration necessary to achieve smooth inter-agency working are to be achieved at local level.

#### **4.4 Developing Comprehensive Approaches**

The essence of a comprehensive approach is that barriers in all the arenas associated with the labour market can be addressed including those arising in relation to anomalies in social policy and to the way social policy issues impinge on labour market well-being. This, however, is one of the main limitations of local approaches to date. The fact is that the full range of policies that are relevant to achieving labour market and social inclusion have not been devolved to the local level (Duggan, 2000) . Public transport policy is an example here. This area of policy could be used to address exclusion particularly in rural and peripheral urban areas. But the implementation of transport policy is frequently identified as contributing to rather than alleviating exclusion. Education is another area that remains outside local influence.

Conversely, those areas of policy that are implemented locally appear to have been over-devolved to the local level. That is, there has been a systematic failure across a number of areas to develop coherent national frameworks to support and underpin actions at the local level. Coherent national frameworks are essential to supporting local interventions and to transferring innovation to the national context: issues that were clearly identified by participants in the Focus Groups. Without these frameworks, the proliferation of actions and structures at the local level are in danger of being substituted for effective national policy. Challenges to effective work on the ground, therefore, are deriving as much from the deficiencies of the wider framework as from the issues presented by *service user* groups.

A more serious discontinuity in policy at the national and local levels has also been identified (Duggan, 2000) whereby economic and development policies that underpin the reproduction and spatial distribution of labour market vulnerability is formulated and implemented at a national level; while policy relating to the experience of labour market and social exclusion is increasingly being implemented at local level. Moreover, national level policies are contested areas as reflected for example in debates around

minimum wage legislation and highly constrained by macro-economic imperatives and by EU requirements. In contrast, the types of policies that are implemented at local level are much more politically neutral, tending to generate consensus rather than conflict. So within the overall policy context, we have a contested national domain and a largely uncontested local domain with different constraints and imperatives operating on each. At a minimum, this opens up the possibility of a discontinuity between social inclusion discourse and the measures undertaken to achieve this at the national and local levels. At worst it points to the potential for a contradiction between national efficiency and local equity as national policies seek to pursue economic growth and promote accumulation while local policies seek to address the negative consequences of this in some areas.

#### **4.5 Inclusive Local Labour Market Strategies: Elements of Good Practice**

We now turn our attention to strategies to promote inclusive labour markets. Based on the foregoing discussion we can conclude that inclusive local labour market strategies must be capable of meeting the full range of difficulties experienced by individuals within the labour market. This means addressing:

- the personal circumstances of individuals
- the labour market context including the educational and skills deficits of individuals and employer practices and prejudices
- anomalies and welfare traps that arise within the context of social policy provision.
- the local economic context.

These are the four policy arenas identified earlier within which labour market dynamics combine to produce levels of vulnerability at local level. However, not all of these arenas are amenable to local intervention. In particular, social policy factors and economic factors are outside the scope of local responses to labour market exclusion and social exclusion. In this section, we look in more detail at the necessary elements of local labour market strategies within those arenas that are amenable to intervention at local level: the circumstances of individuals and the interaction of supply and demand on the local labour market.

The underlying principle of a needs based approach is that provision is determined on the basis of the identified needs of real people at a point in time. Consequently, one cannot, and should not, predetermine the precise forms of provision that are required to meet these needs. What we can do, however, is conceptualise the major elements of a local labour market strategy which can guide the development and implementation of provision. These elements are listed below and the primary objectives of each identified along with a number of key issues. It is important to stress that the following discussion does not seek to identify all the necessary aspects of the various elements or to list all the considerations that must be taken into account in developing or implementing each



one. Rather it seeks to highlight the range of inputs necessary for a fully comprehensive labour market strategy

**Outreach:** The key objective of outreach is to ensure that people who are vulnerable on the labour market are not excluded from the framework of support through lack of contact or information.

In the context of inclusive local labour market strategies, mechanisms must be in place to ensure that all vulnerable individuals are reached and are aware of the options available to them.

Outreach, as the term suggests, implies that the provider initiates or seeks to initiate contact with the potential user. This means engaging people 'where they are at' and will require very different mechanisms depending on the circumstances of the targeted individuals. Mechanisms of outreach require ongoing review to ensure they are in fact reaching all those targeted.

**Information:** The objective of information should be to promote effective labour market decision making by ensuring that people know what options are available to them, what the implications of participating in any one option is and what the outcome of participation is likely to be.

At a minimum, this requires that information is:

- comprehensive
- accurate
- in a format that is readily accessible for all including those with literacy, visual or language difficulties.
- organised and disseminated from the perspective of the user not the provider.

**Labour market guidance / counselling:** Guidance and counselling seeks to support individuals to make informed choices and to plan personal itineraries to make the transition from welfare to work.

The provision of guidance and counselling should be based on a combination of good individual diagnostic tools and local labour market intelligence.

Guidance and counselling must be available to individuals on a needs basis and not limited to point in time or once off provision.

**Personal supports:** The objective of personal supports is to ensure that individuals are assisted to participate in the option of their choice by ensuring that specific personal difficulties are addressed.

Any such personal difficulties or circumstances must be supported within the context of their own personal itinerary or labour market inclusion plan.

Mechanisms must be in place to identify and respond to the needs of individuals, based on flexible provision premised on fundamental respect and sensitivity.

**Training / Education:** The specific objectives of training and education are self-evident. These elements are the cornerstone of labour market inclusion strategies and such strategies should ensure that individuals who are vulnerable on the labour market have access to the full range of education / training interventions necessary to enable them progress to stable employment.

Education and training provision should:

- take account of actual employment opportunities
- have clearly identified outcomes and progression options.
- have sufficiently high standards in terms of provision and outcomes to attract participation.
- be available to all those vulnerable on the labour market including those in precarious employment.

**Advocacy:** Demand side barriers to employment that arise from factors such as employer preferences, practices and prejudices require to be addressed within the context of a comprehensive labour market strategy.

The primary objective of advocacy is to address these factors on behalf of vulnerable individuals.

Advocacy must be informed by respect for rights and responsibilities, it must foster empowerment and guard against creating dependency.

- Mentoring:** Mentoring supports the sustainability of participation and progression in training and in employment by providing a mechanism for ongoing support, problem solving, advice and guidance.
- Mentoring must be tailored to the specific circumstances of individuals and delivered in an appropriate and sensitive manner.
- Different mentoring approaches, including peer mentoring, may be appropriate for different individuals.
- Work Experience:** The objective of work experience is two fold: on the one hand it provides an opportunity for vulnerable individuals to gain experience of the world of work and to overcome any concerns on their part associated with moving into employment; on the other hand it can and demonstrate the capacity of individuals to employers and break down any prejudices or misgivings.
- Work experience should be integrated in a relevant and strategic way into the welfare to work plans of individuals. It should also be focused on facilitating their longer term well-being rather than short term outcomes.
- In Work Supports:** The objective of in-work supports is to ensure that vulnerable individuals who do move into jobs are facilitated to remain in these jobs.
- In work supports are particularly necessary for very vulnerable people who have little or no experience of work place practices or expectations.
- The provision of in work supports should include the full range of supports that individuals require to remain in employment. These may include financial supports.
- In Work Training:** In work training can have a number of objectives. In the context of inclusive local labour market strategies the primary objective is to support better labour market integration for workers in low-skilled or precarious employment by providing opportunities to improve their labour market position.
- In the context of growing precarious employment, it is particularly important that mechanisms to deliver in-work training are in place to enable people improve their labour market position and avoid risks of poverty or welfare dependency in the longer term.

These elements constitute an overview of the main forms of provision required to enable individuals make the transition from welfare to work. Ensuring that individuals have access to these elements as and when they need them, is the guiding principle of an inclusive local labour market strategy. It is worth repeating here, that given the contemporary experience of labour market vulnerability discussed earlier, the impact of addressing one or even some of these difficulties is unlikely to be significant. Vulnerable individuals experience barriers to employment 'in the round' and it is in the round that they must be addressed.

Such an approach does not necessarily require the development of new labour market programmes per se, but rather the development of joined up provision at local level. In the two areas examined for this study, we did not find examples of any one programme that was providing the entire range of elements, nor did we expect to. However, we did identify a number of interventions that, through interagency working, were providing some (and in some cases a lot) of the elements identified here. These are detailed in Annex 2. The discussion in this section has tried to highlight the need for these elements to be included in local inclusive labour market strategies and to note the challenges in doing so arising from features of the contemporary context.

#### **4.5 Summary**

In this section, we have identified the four parameters of an inclusive local labour market strategy. These are, in brief, that it be localised, flexible, multifaceted and comprehensive. The local dimension of active labour market programmes and social inclusion measures is well established, albeit un-integrated. This presents both an opportunity for developing local labour market strategies in that key players are already in place, but it also presents challenges in relation to the need for integration and the difficulties associated with that. Needs based provision is not a widely available within the local context, although certain interventions do operate on this basis. However, in the current context, where there are significant gaps in provision, a full needs based approach is not possible. The issue of targeting remains crucial here, being increasingly recognised as a hindrance to both needs based and holistic working. The achievement of multi-faceted provision, in the current context, requires far greater integration at local level than currently exists. While this study found a considerable degree of inter-agency working and other forms of collaboration, this falls far short of the kind of joined up provision that is needed to address labour market vulnerability at local level. It is relation to comprehensive provision, however, that most difficulties arise. In the absence of greater integration between national and local policy processes, many relevant areas of policy will remain outside the scope of local interventions.

## **Section 5. Conclusions and Recommendations**

This study explored the contemporary experience of labour market vulnerability in two parts of the country. The focus of the study was on the dynamics of local labour markets within which vulnerability is experienced and the economic and infrastructural contexts within which local labour markets are situated. The study identified the following issues:

### **5.1 Macro economic changes can have major impacts at the micro level**

People who experience social and economic exclusion tend to operate in very local labour markets. In the contemporary context, therefore, macro economic processes that can balance out or even produce net benefits at national or regional level, can have a very severe and negative impact at local level.

The result is that, notwithstanding buoyant employment growth at national or regional level, the very localised labour markets that vulnerable people operate in can be characterised by low level of demand, skills-mismatches and precarious employment.

Labour market vulnerability must be understood in this context, and policy responses to create inclusive labour markets must acknowledge in a real and strategic way the local dimension.

### **5.2 Labour market vulnerability is intrinsic to contemporary economic processes**

Contemporary economic processes, involving sectoral shifts, the decline of traditional industry and the growth of precarious employment are, in combination with employer practices and preferences, reproducing labour market vulnerability.

The implication of this is that labour market vulnerability is not an aberration or a left-over from the 1980s or early 1990s. Rather it is being reproduced within contemporary socio-economic processes. It is important that labour market policy fully acknowledges this and develops responses capable of dealing with the ongoing reproduction of vulnerability.

The existence of precarious employment and low pay amongst women and men highlights the fact that a job is not always a way out of poverty. Inclusive labour market policy must acknowledge this and the situation of those confined to low pay or to precarious employment must be addressed within social policy.

### **5.3 Labour market vulnerability is a function of labour market dynamics**

In the past there has been a tendency to view labour market vulnerability as deriving almost solely from the personal and labour market characteristics of individuals or more usually of specific target groups. This study has argued that labour market vulnerability is in fact derived from the dynamics of local labour markets wherein demand side factors

and the broader economic and policy context, contribute to the overall well-being of individuals.

Consequently, inclusive labour market policies and strategies must avoid an over-focus on marginalised individuals and engage also with the broader context within which they are rendered vulnerable.

#### **5.4 Location on the labour market is a better indicator of labour market needs than is the concept of target categories**

On the basis of labour market dynamics within its broader context, the study identified three categories of labour market vulnerability: those who experience severe levels of vulnerability and are effectively excluded from the labour market; those whose problems are less severe but who nonetheless experience displacement and difficulties in re-entering employment; and those who are unfavourably incorporated through employment in low paid and insecure employment.

Over time, these are not mutually exclusive categories. In the short-term in particular, there is potential for considerable movement between the latter two categories. Of more concern, however, is that in the absence of appropriate interventions to secure their labour market well-being, those who currently experience displacement or unfavourable incorporation could become more excluded.

Against this backdrop, there is a need to reassess the practice of targeting labour market programmes and other supports on specific groups on the assumption of shared disadvantage and instead to investigate the potential greater impact of an individually focused need-based approach.

#### **5.5 People who are vulnerable on the labour market experience barriers in the round**

Directly linked to the above, is the fact that while barriers to employment can be delineated individually at an analytical level, in reality people experience them in the round or in clusters. Moreover, people are aware that the clusters of barriers they experience straddle different arenas as identified earlier and this impinges on their decisions to address any one particular barrier.

The implication of this is that it is necessary to respond to people's needs in a multi-faceted way: interventions that tackle single barriers are unlikely to produce significant results.

#### **5.6 Dealing with barriers in the round requires local labour market inclusion strategies**

The concept of local labour market inclusion strategies follows directly from the need to address all of the barriers that vulnerable individuals experience. If labour market policy is to enable individuals make the transition from welfare dependency or the risk of welfare dependency to stable employment, that what is important is not that there are

specific programmes that try to achieve this, but that all the elements necessary to meet the needs of individual at local level are in place.

The parameters of local labour market inclusion strategies were identified earlier as:

- localised interventions that are capable of dealing with the specifics of the labour market at micro level;
- flexible and needs based approaches that can cater for individual needs while recognising the shared experiences of certain groups;
- multi-faceted interventions that can either simultaneously or in a timely manner address the diverse and multiple barriers that individuals encounter
- comprehensive approaches that can address barriers in all four arenas within which barriers arise.

### **5.7 Systematic and strategic inter-agency collaboration is required at local level.**

The first three of these parameters present significant challenges in relation to developing greater inter-agency co-operation and integration. Currently, such integration is ad hoc, partial and fragile.

Developing inclusive local labour market strategies would require a robust and open-ended assessment of the current situation, identifying duplication, gaps, inadequacies and other impediments on the one hand, and strengths, effectiveness and capacity on the other.

On this basis, strategies to promote real and effective collaboration could be identified, drawing on the respective strengths of the various agencies at local level, eliminating duplication and streamlining the delivery of supports.

### **5.8 Greater integration between local agencies and national planning is necessary to fully address labour market vulnerability.**

This study has argued that major factors contributing to labour market vulnerability are located within the social policy context and within economic processes. Currently, efforts to respond to labour market disadvantage and vulnerability at local level are implemented with little or no engagement with these issues.

In the context of changing the employment situation at national level, it is now timely to reassess the relationship between local and national levels in relation to combating labour market vulnerability. In particular, it is important to ensure that local labour market inclusion strategies are not reduced to playing an ideological role in relation to the political management of exclusion rather than a practical role in its eradication.

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## **Annex 1: Information on Study Methodology**

- 1 Copy of Service Provider Questionnaire**
- 2 List of Attendees at Service Provider Focus Groups**
- 3 List of those interviewed**

## **Survey of Organisations involved in Promoting Inclusive Labour Markets and Social Inclusion**

*This survey is being conducted in the context of the work of the National Economic and Social Forum (NESF) on creating a more inclusive labour market. (Information on this work is available on the NESF website, [www.nesf.ie](http://www.nesf.ie)). The aim of the survey is to identify examples of the best ways local labour market and social inclusion measures, acting together, can help those who are experiencing greatest difficulty in accessing employment.*

*Your views and experiences are vital to ensuring that this aim is achieved and we appreciate your co-operation with this important work. This questionnaire is being sent to a selected range of bodies which provide services to support the progression of people into the labour market and to organisations that represent different target groups. Depending on your organisation's role, some questions in this questionnaire may be more relevant than others. If so, please mark as Not Applicable the questions that do not apply to your area of work. Please note, if you work in local or community office of a large organisation or if you have a specific role within a larger organisation, you should answer these questions in relation to your own work role.*

*The main part of this research will focus on documenting examples of good practice in relation to ways that labour market and social inclusion measures, acting together, can help those who are experiencing the greatest difficulty in getting employment. In order to facilitate us identify these examples, we ask you to provide the name of your organisation and your own contact details. All other information you provide will be aggregated with the rest of the survey data and neither you, nor your organisation, will be identified in the report.*

*This survey has been designed to make it easy for you to complete on your PC. Once completed, please return it to us at [cduggan@wrc.ie](mailto:cduggan@wrc.ie). We would appreciate it if you could return it to us by February 28<sup>th</sup>. If you need assistance or clarification on any issue you can contact Carmel Duggan at this email address or at 01-8044111*

**Section 1: Organisation Profile**

1.1 Please provide the name and address of your organisation

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1.2 Please briefly outline your organisation's role in relation to promoting social / labour market inclusion

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1.3 What is your job title?

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1.4 Would you be willing to provide more information over the phone? (Indicate your answer by placing an X in the appropriate box).

Yes	
No	

1.5 If yes, please provide your name and contact details

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## Section 2 Examples of best practice in creating an inclusive labour market

- 2.1 In this first section, we ask you to provide information on examples of best practice in creating a more inclusive labour market in your area that were delivered by your own organisation and / or by other organisations.

By best practice, we mean interventions (**including projects, programmes and services**) that were particularly effective in facilitating people from groups such as long term unemployed, redundant workers, young low skilled workers, women returners and other marginalised persons move into or progress within employment. We are especially interested in inter-agency interventions and in in-work interventions.

Using the following template, please provide an example of best practice based on **projects, programmes or services that your own organisation was involved in.** .

**NB: This table can expand to accommodate text**

<b>Example 1: Best practice in creating a more inclusive labour market that your organisation was involved in.</b>	
<i>Name or description of project / programme / service</i>	
<i>Aims &amp; objectives</i>	
<i>Target Groups</i>	
<i>Organisations involved in implementation</i>	
<i>Key elements of the project / programme / service</i>	
<i>Inter-agency dimension (if relevant)</i>	
<i>Main outcomes</i>	
<i>Has this project / programme / service been evaluated or documented?</i>	

- 2.2 Using the template below, please provide an example of best practice based on **projects, programmes or services** that were delivered by an organisation other than your own.

<b>Example 2: Best practice in creating a more inclusive labour market that another organisation was involved in.</b>	
<i>Name or description of project / programme / service</i>	
<i>Aims &amp; objectives</i>	
<i>Target Groups</i>	
<i>Organisations involved in implementation</i>	
<i>Key elements of project / programme / service</i>	
<i>Inter-agency dimension (if relevant)</i>	
<i>Main outcomes</i>	
<i>Has this project / programme / service been evaluated or documented?</i>	

- 2.3 Sometimes a specific part, or element, of an intervention can be particularly effective in achieving its objectives, even if the overall intervention is less so. Specific elements might include innovative ways to provide informational materials, methods of collaboration with other organisations, provision of specific supports for particular target groups etc. In the table below, please identify elements of interventions which could constitute best practice which your own organisation was involved in.

<b>Example 3: Elements of best practice in creating a more inclusive labour market that your organisation was involved in</b>	
<i>Specific Element</i>	
<i>Aims &amp; objectives</i>	
<i>Target Groups</i>	
<i>Organisations involved in implementation</i>	
<i>Inter-agency dimension (if relevant)</i>	
<i>Main outcomes</i>	
<i>Has this element been evaluated or documented?</i>	

- 2.4 Using the template below, please provide an example of an element of best practice that was delivered by an organisation other than your own.

<b>Example 4: Elements of best practice in creating a more inclusive labour market delivered by another organisation.</b>	
<i>Specific Element</i>	
<i>Aims &amp; objectives</i>	
<i>Target Groups</i>	
<i>Organisations involved in implementation</i>	
<i>Inter-agency dimension (if relevant)</i>	
<i>Main outcomes</i>	
<i>Has this element been evaluated or documented?</i>	

**Section 3: Context and challenges of creating an inclusive labour market.**

**Note: By catchment area, we mean the area that your organisation’s remit covers and / or in which most of your user groups live.**

**If you work in a local office, community office, or sub-office of a large organisation (e.g, a VEC) , or if you have responsibility for a specific programme or service within a large organisation, please answer these questions on the basis of your own work and the area you work in.**

- 3.1 Which of the following best describes the catchment area that you work in? If necessary, indicate more than one type of area.

	Mark with X
Rural townlands	
Village / neighbourhood	
Small town	
Suburb	
Large town	
City	
Other (please identify)	

- 3.2 What is the population of the catchment area (approximately)

\_\_\_\_\_

- 3.3 Please indicate, by placing an X in the relevant box, if any of the following categories are a feature of your catchment area.

	Yes	No	Don't Know
Large number or concentrations of people who are long-term unemployed			
Large number or concentrations of people who are under-employed.			
Large number or concentrations of people in low paid / low skilled work.			
Large number or concentrations of very marginalised / vulnerable groups.			
Large number or concentrations of people living in poverty.			

- 3.4 Is there a group or groups living in the catchment area that are experiencing particular difficulty in terms of their inclusion in the labour market? If yes, please identify them.

\_\_\_\_\_

- 3.5 Please indicate if your catchment area is considered to be an unemployment ‘black spot’ or if it contains some neighbourhoods or townlands that are unemployment ‘black spots’?

	Place X in appropriate box
The catchment area is an unemployment blackspot	
There are some parts of the area that are unemployment blackspots	
There are no unemployment blackspots in the catchment area	

**Now we turn to the area in which your user groups are most likely to seek employment (i.e, the local labour market area).**

- 3.6 Can you please name the labour market area *that* your user groups are most likely to seek employment in? (e.g. Letterkenny town, Dublin city, Sligo town and county, Northwest region etc)

\_\_\_\_\_

- 3.7 Do any of the following feature in this labour market area (i.e, the area in which your user groups are most likely to seek employment?)

	Yes	No	Don't know
High level of low paid employment.			
Decline of low skilled employment.			
Predominance of a single sector.			
High level of seasonal and or casual employment.			
Experience of redundancies / closures in last five years or so.			
Experience of decline in a previously important industry or sector.			
Labour shortages.			
Skills shortages.			
Employment growth in some sectors			
Growing disparity between high quality and low quality employment.			



3.8 Using the following table, please indicate by placing an X in the appropriate box (a) the groups your organisation caters for (or, if appropriate that the local office you work in caters for) and (b) the group or groups among the user groups that experience particularly severe disadvantage on the labour market.

<i>Target Groups</i>	<i>Groups catered for</i>	<i>Groups experiencing severe disadvantage</i>
<i>Long term unemployed</i>		
<i>Women returners</i>		
<i>Lone parents</i>		
<i>People with disabilities</i>		
<i>Young people at risk of unemployment</i>		
<i>People in low paid employment</i>		
<i>Ex-drug misusers</i>		
<i>Ex-offenders</i>		
<i>Members of Traveller community</i>		
<i>Carers</i>		
<i>Asylum seekers and refugees</i>		
<i>Migrant workers</i>		
<i>Farmers and small holders</i>		
<i>People with or recovering from drug and alcohol dependencies</i>		
<i>Other (please identify)</i>		

3.9 In 2004, how many people from groups who have difficulty accessing the labour market were catered for by your organisation / local office. If possible, please provide a gender breakdown. If data is unavailable, please provide an estimate and indicate that it is an estimate.

<i>Men</i>	<i>Women</i>	<i>Total</i>	<i>Please tick this box if these data are estimated</i>

3.10 From the list below, please mark:

- In column A, the main barriers to employment experienced by user groups of your organisation / local office in accessing employment or surviving in employment and,
- In column B, identify the three most problematic amongst these.

<i>Problems</i>	<i>Column A Place an X in all relevant boxes</i>	<i>Column B Three most problematic</i>
<i>Low level of education</i>		
<i>No skills or redundant skills</i>		
<i>Literacy / numeracy difficulties</i>		
<i>Language difficulties</i>		
<i>Low self esteem / lack of confidence</i>		
<i>Disaffected from the labour market</i>		
<i>Personal problems (addiction etc)</i>		
<i>Lack of public transport or accessible public transport</i>		
<i>Lack of affordable childcare / social care</i>		
<i>Loss of secondary benefits etc, or fear/ uncertainty of loss.</i>		
<i>Employer recruitment practices</i>		
<i>Employer prejudice</i>		
<i>Low wages on offer</i>		
<i>Lack of part-time or flexi work options</i>		
<i>Other (please identify)</i>		

## 3.11 Which of the following interventions does your organisation / local office provide?

<b>Interventions</b>	<b>Place an X in all relevant boxes</b>
<i>Pre-development training</i>	
<i>Training in specific vocational skills</i>	
<i>General training</i>	
<i>Educational programmes</i>	
<i>Literacy / numeracy programmes</i>	
<i>Third Level access programmes</i>	
<i>Personal development programmes</i>	
<i>Self-employment programmes / services</i>	
<i>Labour market guidance</i>	
<i>Work placement services</i>	
<i>In-work training</i>	
<i>In-work mentoring</i>	
<i>Work experience programmes</i>	
<i>Special measures to promote inclusion of the most vulnerable.</i>	
<i>Mentoring / peer mentoring approaches</i>	
<i>Personal guidance / counselling</i>	
<i>Health information / advice / services</i>	
<i>Social welfare information / advice / services</i>	
<i>Housing information / advice / services</i>	
<i>Financial information / advice / services / support</i>	
<i>Family support / mediation</i>	
<i>Childcare or childcare costs</i>	
<i>Eldercare or eldercare costs</i>	
<i>Other (please identify)</i>	

## 3.12 Which of the following approaches are used in developing / delivering these interventions?

<b>Approaches</b>	<b>Place an X in all relevant boxes</b>
<i>Outreach to particular groups</i>	
<i>Consultation with representatives of target group</i>	
<i>Consultation / feedback from service users / participants</i>	
<i>Developing links with local employers to identify skill needs</i>	
<i>Developing links with local employers to secure work placements</i>	
<i>Collaborating with other agencies on participant well-being / progression</i>	
<i>Delivering programmes / services jointly with other agencies.</i>	

3.13 With regard to monitoring and evaluation which of the following best describes the situation in your organisation / local office?

	<b><i>For all programmes / services</i></b>	<b><i>For some programmes / services</i></b>	<b><i>Not at all</i></b>
<i>Data gathering systems to monitor participation in / use of programmes and services are in place:</i>			
<i>Data gathering systems to record outcomes / progression for participants / service users is in place:</i>			
<i>Methods to measure the impact of programmes / services are in place:</i>			
<i>External evaluations are conducted and documented:</i>			

3.14 Using the following table, please indicate the type of contact you or your colleagues have on a regular basis (or as part of your normal working) with other organisations operating in your area.

	<i>Get info from</i>	<i>Send info to</i>	<i>Get referrals from</i>	<i>Send referrals to</i>	<i>Share monitoring data on participants.</i>	<i>Jointly deliver services/ programmes</i>	<i>Sit on c'tees etc with.</i>
<i>Local employers</i>							
<i>FAS</i>							
<i>VEC</i>							
<i>Chamber of Commerce</i>							
<i>IBEC / SFA</i>							
<i>Trade Unions</i>							
<i>LES</i>							
<i>Dept. of Social &amp; Family Affairs</i>							
<i>County Development Boards</i>							
<i>Local Authority</i>							
<i>Health Board / Local Health Centre</i>							
<i>Area Based Partnership Companies</i>							
<i>County Enterprise Boards</i>							
<i>Community Development organisations</i>							
<i>Representative / advocacy organisations</i>							
<i>Schools</i>							
<i>Third level institutions</i>							
<i>Other (please name)</i>							

3.15 Overall, how would you assess the linkage between your organisation / local office and other organisations involved in labour market and social inclusion measures that can help those with the greatest difficulty getting employment.

<i>There is very good linkage</i>	
<i>There is some linkage but not enough</i>	
<i>There is little or no linkage.</i>	

3.16 Are there any barriers to more integrated working with other organisations that could help more of your user groups progress into employment? If yes, please identify these.

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3.17 If you have any further comments on creating a more inclusive labour market, please use the space below.

**Thank you for taking the time to complete this questionnaire. Your co-operation with this research is much appreciated and will contribute to a greater understanding of how more inclusive labour markets can be created.**

**Attendance at Service Provider Focus Group, North Dublin, March 15<sup>th</sup> 2005**

<b>Name</b>	<b>Organisation</b>
Ann Moroney	Access Ireland
Robert Cornell	Ballymun Job Centre
Mairín Kenny	Ballymun Job Centre
Helen Geoghegan	City of Dublin VEC
Paddy Hughes	Department of Social and Family Affairs
Philip O'Connor	Dublin Employment Pact
Peter Nolan	Dublin Inner city Partnership
Tony Tyrrell	EQUAL Technical Support Structure
Adrian Browne	FÁS
John Bennett	Finglas Cabra Local Drugs Task Force
Michael Bowe	Finglas Cabra Partnership
Lucy Sutton	Finglas Cabra Partnership
Anne Fitzgerald	Finglas Cabra Partnership
Enda Rooney	Forum of People with Disabilities
Olive Wallace	Health Service Executive
Robert Cornell	Health Service Executive
June Tinsley	INOUE
Brendan O'Hanlon	MANDATE
Gerard Walker	NESF
Brendan Palmer	North Dublin Chamber of Commerce
Marian Vickers	Northside Partnership
Carmel Mc Partland	Northside Partnership
John O'Neill	OPEN
Bríd O'Brien	Pavee Point
David Fagan	Youth Action Projects

**Attendance at Service Provider Focus Group, Donegal / Sligo, March 22<sup>nd</sup> 2005**

<b>Name</b>	<b>Organisation</b>
Eamonn Stevenson	Chamber of Commerce
Anne Wilkinson	Congress Centre for the Unemployed
Marie Slevin	Congress Centre for the Unemployed
Joe O'Donnell	Department of Social and Family Affairs
Mary Phair	Department of Social and Family Affairs
Seamus McGinley	Department of Social and Family Affairs
Michael Scanlon	Department of Social and Family Affairs
Dearbhla Kelly	Donegal Adult Learner Guidance Centre
Jerry Martin	Donegal County Council
Francine Blanche-Breen	Donegal CWC
Joe Terry	Donegal is the Business
Caoimhin MacAoidh	Donegal Local Development Company
Vinny McGroary	FÁS
Mick Quinn	IMPACT
Mary McGeehan	Inishowen Partnership
Anora Won	IRDC
Seamus Mac Suibhne	MFG Teo
Gerard Walker	NESF
Mary Higgins	Regional Employment Service
Joe McHugh	Seanad Eireann
Siofra Kilcullen	Sligo County Development Board
Annette Patton	Social Economy Solutions



***Individuals with whom In Depth Interviews were Conducted***

<b>Name</b>	<b>Organisation</b>
Mick Creedon	Ballymun LES
Paddy Richardson	Business in the Community
Rosemary Carville	Business in the Community
Tom Mc Ardle	Department of Social and Family Affairs
Seamus McGinley	Department of Social and Family Affairs
Stephen Barrett	Donegal Local Development Company
Caoimhin MacAoidh	Donegal Local Development Company
Phillip O'Connor	Dublin Employment Pact
Peter Nolan	Dublin Inner City LES
Miriam Scanlon-Trill	FÁS Sligo
John Bennet	Finglas / Cabra Local Drugs Task Force
Anne Fitzgerald	Finglas / Cabra Local Employment Service
Shauna Mc Clenaghan	Inishowen Partnership
Eamonn Stevenson	Letterkenny Chamber of Commerce
Marian Vickers	Northside Partnership
Carmel Mc Partland	Northside Partnership
Mary Higgins	Regional Employment Service
Siofra Kilcullen	Sligo County Development Board

## **Annex 2: Profiles of labour market inclusion interventions**

- 1 Overview of Labour Market Interventions containing elements of good practice.**
- 2 Details of each Intervention**

## **1 Overview of Labour Market Interventions containing examples of good practice.**

- *Working for Work*: a yearly publication of the INOU funded by the Department of Social and Family Affairs which provides detailed and up to date information on the impact of the tax and welfare systems on earned income.
- *Farm Assist*: a social welfare payment which provides a form of income support for small farmers and which provides a model of earned / welfare income.
- *Back to Work Enterprise Allowance*: a programme which supports long-term unemployed people to set up their own businesses. This is a particularly valuable model in areas of low employment demand.
- *EVEN Programme*: a pilot programme aimed at responding to the decline of the textile industry in Donegal by helping girls to reassess employment choices and by supporting women made redundant to develop their own businesses.
- *Regeneration Programme*: an interagency programme to enable local people in the Northside Partnership area to avail of new job opportunities in Tesco.
- *Linkage Programme*: an interagency programme to enable people coming out of prison to secure adequate forms of employment.
- *EQUAL at work* project: A programme funded by the European Union EQUAL Initiative that is addressing the needs of low skilled workers and is piloting job rotation models.

Table 1A provides an overview of the extent to which these interventions are providing the elements of inclusive labour market strategies identified earlier.

**Table 1A: Overview of Barriers to Participation in Employment & Programmes**

Elements	Outreach	Information	Guidance	Personal supports	Training & Education	Advocacy	Mentoring	Work placement / experience	In-work supports	In-work training
Working for Work										
Farm Assist										
Back to Work Enterprise										
EVEN Programme										
Regeneration programme										
Linkage programme										
EQUAL at work project										

The following highlights particularly interesting examples of how these interventions are delivering specific elements of inclusive labour market strategies.

- |                                       |  |
|---------------------------------------|--|
| Outreach:                             | <ul style="list-style-type: none"> <li>• To recruit labour market vulnerable individuals for its <i>Regeneration Programme</i>, Tesco Clare Hall dropped 34,000 leaflets locally, advertised in local media, held meetings with local community groups, and took referrals from the LES.</li> <li>• The <i>EVEN</i> programme organised a range of information evenings throughout the area, to facilitate access for people living in rural areas, and made information on the programme available in local media and community resources.</li> </ul> |
| Information:                          | <ul style="list-style-type: none"> <li>• <i>Working for Work</i> is a comprehensive information guide for unemployed people, regularly updated and providing information on social welfare and tax, employment services, training, education and active labour market programmes</li> <li>• The Linkage programme worked with the D/SFA on the development of a comprehensive information guide targeted at the needs of ex-prisoners.</li> </ul>  |
| Labour market guidance / counselling: | <ul style="list-style-type: none"> <li>• The <i>EVEN</i> project implemented proactive guidance as part of a response to the decline of the textile industry which was a key employer for generations in a very rural area. A guidance programme for girls in school aims to encourage more sustainable career choices, and for women directly impacted by redundancy, guidance and counselling is provided in relation to developing self-employment.</li> </ul>  |
| Personal supports:                    | <ul style="list-style-type: none"> <li>• The <i>Linkage programme</i> integrates an assessment of personal support needs with labour market guidance. Training and Employment Officers provide direct support in relation to basic life skill acquisition, and facilitate clients' access to relevant services in the local area.</li> </ul>   |
| Training / Education:                 | <ul style="list-style-type: none"> <li>• Northside Partnership, in conjunction with Tesco and FÁS, provided employment integration training, and a 12 week FETAC certified retail sector traineeship, with a guaranteed job for those who successfully completed the programme.</li> <li>• The <i>EQUAL at work</i> project provides pre-vocational training prior to placing labour market vulnerable individuals on work experience.</li> </ul>  |

- Advocacy:
- The *Linkage programme* identifies employers who can provide suitable employment to match the skills of their clients, and advocate with them on their client's behalf. The programme also supports clients in managing information disclosure themselves.
  - The *EQUAL at work* project advocates with companies to facilitate access to training for workers in low skilled employment.
- Mentoring:
- The *EQUAL at work* project trains existing employees as mentors for those placed with their company on work experience.
- Work Experience:
- *EQUAL at work* project creates opportunities for work experience by training staff to provide cover for existing employees to be released for training.
- In-Work Supports:
- The Back to Work Enterprise Allowance acts as a model to respond to lack of employment opportunities in a rural context, which supports vulnerable people in establishing self-employment, primarily through a tapered withdrawal of income support.
  - *Farm Assist* is a flexible model of income support for individuals seeking to achieve economic independence through engaging in self-employment, and/or part-time employment.
  - Training and Employment Officers from the *Linkage programme* remain available to provide support to both employers and employees subsequent to placing clients in employment.
- In Work Training:
- The *EQUAL at work* project supports companies in developing enterprise specific training programmes for workers in low skilled jobs, and facilitates their release by providing trained temporary replacement workers, providing job experience for unemployed people.

## 2 Details of Labour Market Interventions

### **Working for Work**

'Working for Work' is a **comprehensive information tool** for people vulnerable to labour market exclusion and organisations providing services to them published by the Irish National Organisation of the Unemployed. The publication is funded by a number of state agencies, including the Departments of Social & Family Affairs, and Education & Science, as well as FÁS and the Revenue Commissioners. It provides information on social welfare and tax, training and active labour market programmes, and advice and information on seeking employment. Information is organised and **presented from the point of view of the individual seeking help**, as opposed to that of the service provider. The publication is widely disseminated, and is used by both unemployed individuals and service providers, including those in statutory agencies.

### **Farm Assist**

*Farm Assist* is one of the employment support payments provided by the Department of Social and Family Affairs. It is a means tested payment, available only to those engaged in low-income farming and therefore of particular relevance to rural areas<sup>2</sup>. However, its structure incorporates some elements which could usefully be applied to other unemployment / employment supports.

These elements are more easily appreciated when compared with other means-tested payments – the key differences are in relation to the nature of the 'work test' required to qualify (which relates to the control/support nexus issues explored in the study) and the treatment of economic activity.

- Unemployment Assistance provides income support to people who have *lost a job*<sup>3</sup>, and can prove that they are capable of, available for, and genuinely seeking full-time employment. The means test does allow for some casual employment, but only up to a maximum of three days a week.
- Family Income Supplement provides income support to people who can demonstrate that they are *employees* working a minimum of 38 hours per fortnight. People who are engaged in work considered to be self-employment e.g. those who are paid on the basis of work done rather than receiving a basic wage, or who are engaged in seasonal / casual employment are not eligible .
- Farm Assist encompasses the benefits of these schemes, with only a minimal work test, which is that the claimant be engaged in farming; there is no requirement for claimants to actively seek additional employment. It is the only social welfare payment (that is not time limited, see below) which provides **support to people**

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<sup>2</sup> Only Mayo has a higher number of Farm Assist claimants than Donegal.

<sup>3</sup> A claimant must have lost a least one day's insurable employment, including a loss of income to be eligible.

**engaged in self-employment.** Where claimants do engage in employment, there is no minimum or maximum level of work allowed, nor is there a restriction on the type of employment e.g. seasonal/casual employment is allowed. It also provides income support to working people without children. It is also worth noting that the minimal work test does not preclude targeting activation measures at this group, for example, a number of measures have been implemented by partnerships in the context of the *Local Development Social Inclusion Programme*.

### ***Back to Work Enterprise Allowance***

The *Back to Work Enterprise Allowance* recognises that some unemployed people have the skills and ability to create employment for themselves, and attempts to support these endeavours. This programme is a model of good practice of particular relevance to rural areas such as the Donegal / Sligo region, where the poor economic infrastructure and relative lack of economic development results in less job opportunities than, say, in north Dublin, making the option of self-employment therefore of particular value.

The start-up phase of a self-employment project frequently involves significant financial pressure. Enterprises founded by unemployed individuals face additional viability threats, typically related to low capital base, lack of familiarity with good business practice, for example in terms of legal and tax compliance, in addition, unemployed people have been reliant on social welfare supports and are very vulnerable in the absence of these. The BTWEA addresses both the business support and income support needs of this population, and is administered by local development organisations and the D/SFA.

While *Family Income Supplement* provides a subsidy for families engaged in low paid employment, but not families reliant on a self-employment income. Under the BTWEA, the weekly **social welfare payment is withdrawn gradually over a period of 4 years** while the self-employment enterprise is developing: 100% in year 1, 75% in year 2, 50% in year 3 and 25% in year 4. In addition, certain 'secondary benefits', such as rent supplement payments or the medical card, can be retained where the weekly total household income does not exceed €317.

Local development organisations provide **enterprise related supports** to participants. These vary from one area to another, but typically include some or all of the following. Staff may assist potential participants at the initial stage in assessing the viability of their business proposal. Many areas provide access to **start your own business courses**, to provide information on the start-up and on-going running a successful business e.g. taxation, legal, insurance, record keeping etc.; **training** in areas such as book-keeping, pricing and marketing, health and safety, customer care etc may also be available. Participants may also be able to benefit from a small fund to assist with elements of start-up costs. Other supports such as **mentoring** are also sometimes available.

An evaluation of the programme's operation in the Donegal Local Development Company area (February 2003) found a survival rate of 82% among the 125 participants



surveyed, which compares favourably with the small firms sector more generally. This evaluation also showed that where such enterprises are successful, they can have a further impact by creating additional employment – of the 104 surviving enterprises, 57 additional full-time jobs, and 39 additional part-time jobs were created.

It should be noted that service providers were critical of recent changes in the eligibility requirements for this programme, which have been increased to three years in receipt of an unemployment payment; the number of recipients of the BTWEA fell by 26.8% between 2002 and 2003.

### ***EVEN programme***

*The EVEN – Every woman Valued Equally in the Northwest* – programme was piloted by Inishowen Partnership Company under the Equality for Women Measure.

The programme was designed as a response to the loss of jobs in the textile industry, for many generations a key employer in the region. The programme encompasses different actions targeted at two distinct target groups. For young women 16-20 year olds, who have been indirectly impacted by the decline in this industry, actions are focused on guidance to broaden and deepen career aspirations. For women directly affected by closures, the programme aims to promote entrepreneurship by building upon and developing their skills and experience through **training** and **mentoring** supports.

For the first group, a **Young Women's Guidance Group** to develop their thinking in relation to 'life beyond the loom', thereby supporting improved school retention, greater awareness of entrepreneurship options and better informed career choices. The Guidance Group explores factors influencing career choices such as local labour market context, family, traditions, appraisal of personal abilities etc, and incorporates individual and group guidance. To encourage the development of an entrepreneurial culture, a *Discovering Enterprise programme* was delivered. It used a workshop format to familiarise students with key marketing concepts and to apply these to local businesses.

For women directly affected by textile industry closures, a training initiative encompassing a **three phase enterprise development and support programme** was developed – firstly a motivational/developmental phase, secondly, a training phase which resulted in business plan development, and thirdly, information provision on the resources available to further develop business plans, and progress business start-ups.

A programme of **outreach** was conducted to engage women with the programme. A series of information evenings were held and the project was highlighted in local media, including via local radio interviews, and in local community venues.

Training programme content engaged with a range of subjects from developing business ideas, market research, costing and pricing through to legal, tax and book-keeping and culminated in the presentation of business plans. The project built a partnership with the *Applied Entrepreneurship programme* at University of Ulster whereby the students worked with project participants to research ideas and develop business plans.

Following the training, avenues for further development are explored with participants, and information on available resources are disseminated to them. **Mentoring** supports were made available, and a Women's Enterprise Networking group provides a forum for **peer support**.

Funding for the project concludes in June 2005, but at an interim phase, almost 40% of participants had started business.

### **Regeneration Programme**

Promoted primarily by Northside Partnership and Tesco Clare Hall, this programme is designed to secure employment for local people vulnerable to labour market exclusion.

Tesco has a background in the UK of 'regeneration schemes' which aim to bring together public services, employers and community groups to deliver social, economic and environmental benefits in deprived urban areas; the Clare Hall programme is the first in Ireland. The overall goal of the programme is to provide opportunities for people vulnerable to labour market exclusion to participate in training which can lead to a job with Tesco; this is seen as contributing to Tesco's **business goal** of creating value for customers and earning lifetime loyalty: local people are perceived to work harder for local customers, and to treat them how they like to be treated.

Northside Partnership approached Tesco at an early stage in project development with regard to the implementation of the programme. A strategy group was set up to agree the resources and structure needed to deliver the programme successfully, which included representation from Northside Partnership, Tesco, FÁS, and Mandate trade union. **Tesco committed** to employing up to 100 long-term unemployed people from the local area, and a 24 week programme for 80 participants was agreed. An operations group was established to deliver the programme, and Northside Partnership appointed staff to manage implementation on a full-time basis, facilitating continuity and quality in service delivery, **co-ordination of services from partner organisations**, and supporting recruitment to the programme via the Partnership's client base.

Recruitment to the programme included a substantial **outreach** effort: in addition to referrals from the Local Employment Service, meetings were held with local community groups, 34,000 leaflets were dropped locally and advertisements for the programme were carried in local media. From an initial 237 enquires, 160 attended information workshops, most of whom sat aptitude testing. 144 people were offered places; 86% of whom had been out of work for up to 5 years, 12% for between 5–10 years, and 2% had been unemployed between 10–15 years.

A programme was devised to encompass an initial four week '**integration skills**' training programme, essentially a soft skills development intervention to prepare for the interview for participation on a 20 week Traineeship. The Traineeship comprised alternating five week modules of **workshop-based and in-company training**. The retail sales traineeship included sales techniques and support skills, hygiene, safety and security and customer relations; the in-company training provided training manuals for

completion and Tesco staff coaches. On successful completion, participants receive a FETAC Retail Sector National Skills Certificate.

Participants were **supported during training** by mediators from the LES who provided intensive one-to-one support, and weekly meetings were held with course tutors, and service providers. The co-ordinator of the programme also met tutors on a one-to-one basis each week.

The **benefits of participation**, were clearly articulated from the beginning: upon successful completion of the Traineeship an initial conditional offer was transferred to an offer of employment within the Tesco store. During the training period, eligible participants could claim a FÁS training allowance.

80 clients participated in the training, and 59 completed the programme. 53 took up the offer of employment with Tesco. 56% of employees in Tesco Clare Hall are from the Partnership catchment area.

### **Linkage Programme**

The *Linkage Programme* is targeted at ex-offenders, and is implemented by *Business in the Community Ireland* (BITC), on behalf of the Probation and Welfare Service (PWS). Its aim is to assist ex-offenders to integrate into the working community. Key to the programme's ethos is that it is organised around the client's needs, which are likely to reflect a range of experiences associated with social exclusion – unemployment, addiction, homelessness, family breakdown etc. It supports participants in making informed choices, which form the basis of an agreed career plan that is realistic, achievable and sustainable. Participants are referred by the PWS to Training & Employment Officers in BITC, who manage the process of supporting individuals in accessing education, training and/or employment. Clients are referred on the basis of an assessment conducted by the PWS, which evaluates individual attitudes towards offending, patterns of offending and assesses the likelihood of re-offending. The reputation of the programme as one which **will result in quality employment** creates a high degree of demand from potential participants.

Following referral, Training and Employment Officers (TEO) conduct a full a full inventory of the strengths, weaknesses and needs of each individual – issues such as family dynamics, cultural issues, soft skills are considered. Following this assessment of **personal support needs** and **labour market guidance**, an **individual plan** is developed. TEOs maintain a one-to-one relationship with the individual as they work their way through the plan, the relationship may vary in intensity, but support is always available to a participant when they need it.

Many participants need to develop **soft skills** before moving on to training or employment, and TEOs see this is a crucial component of the model's success: the ethos of the programme is about respect for the individuals participating in the programme, raising expectations and hope. Enabling participants to develop basic life skills builds

confidence, TEOs work with participants to aim for a career they might never have considered, **sustainable employment as opposed to low skill jobs**.

With the exception of basic soft skills, TEOs work by supporting clients to access relevant services in their locality; an important part of the TEOs work is ensuring that they are aware of the range of services available in the locality, and that they **network with those service providers** to support improvements in existing services, and development of new services as appropriate.

When an individual is ready for employment, TEOs **identify suitable employers** and approach them about placement opportunities. The programme stresses the importance of not simply placing a person in a job just because there happens to be a vacancy available. **Job placements** are carefully considered to take account of the appropriateness and quality of the job to ensure that the long term interest of both client and the employer has a greater chance of success. TEOs act as an initial interface between employer and client, but also encourage and support the majority of the information sharing being between client and employer; however TEOs are available to both participants and employers to provide **support post placement** in employment.

The programme stresses that its TEOs provide **support as long as it's needed** – there's no time limit, and no placement targets. It is felt that these can work against success, focusing TEOs on short term, and not necessarily sustainable, outcomes. To achieve positive results the focus is on ensuring that TEO's are well supported, for which they are expected to achieve good outcomes for clients. The programme works to create a learning environment: each TEO can work to achieve a Diploma in Career Guidance & Counselling, and has access to a personal development budget; in addition they regularly engage in networking events to share learning around best practice .

The Linkage programme has been in operation since 2000; of the 3,256 people referred to the programme, 71% (2,307) engaged with the programme, of those 69% (1,589) were placed in either CE (4%), education (12%), training (35%), or employment (49%).

### ***Job Rotation Programme***

A programme of Job Rotation in the private sector has been piloted as part of the *EQUAL At Work* project. This element of the project was co-ordinated by the Dublin Employment Pact, and Northside Partnership. The project aimed to address two inter-related issues: workers in lower skilled occupations often have limited opportunities to avail of training and hence to progress beyond entry level jobs, this has the knock-on effect of reducing the number of entry level jobs available, thereby reducing opportunities for many unemployed people seeking work. Companies often identify the problem of finding staff to cover for those released for training as a key barrier in increasing access to upskilling. The project was based on a *Job Rotation* model developed in Denmark.

The *Job Rotation* model addresses these issues by training unemployed people to undertake the jobs of other workers being released to engage in tailor-made, enterprise specified training. In addition current employees are trained to act as mentors for the

replacement workers. Thus there are a number of benefits: unemployed individuals benefit from **real work experience**, which may result in job offers; **workers in low skilled positions benefit from tailored training**, (without productivity loss to the company) which may help them progress to better paid and more secure employment.

The pilots were run in conjunction with Keelings Distribution Ltd and Freshways-Kerry Foods, both based in north Dublin. Both companies saw a **business benefit** to participation – one was engaged in rapid expansion and needed both new employees, and for current employees to be equipped to take on new responsibilities, the other identified positions which it was finding it difficult to attract and retain employees. The companies were supported in developing job descriptions and person specifications for the positions of the workers to be released for training.

A number of **outreach** methods were employed. Unemployed participants were sought in local media, through the LES and referral organisations and through FÁS and the D/SFA, and an open day and interviews were held to identify participants. These pilots showed that recruitment was easier for more generalised positions (the Freshways positions required a C1 driving licence), and that potential drop-out later on could be reduced by ensuring that applicants were familiar with the nature of the work, hours etc, and that it holds some interest for them.

Prior to engaging in any job specific training, participants are provided with a two-week **pre-vocational training programme**, which relates to soft skill issues such as communications, negotiations etc. While this is on-going the project works with the companies to develop the training content for current employees, and the employees who will act as **mentors are trained** to provide them with the necessary skills.

Prior to commencing work experience, the replacement workers engage in a period of **'shadowing' and induction training**, the duration depending on the company and particular job concerned. The work placements typically last four weeks, which generally means that more than one group of employees can be released to engage in upskilling.

Reflecting on the pilots, the promoters feel that it is important to incorporate **personal supports** to accompany labour market interventions, as the target group had low confidence levels, and even depression, as a result of their experiences of unemployment. In addition, it was felt that an important factor in the success of the pilots was in carefully planned implementation, which built on a preparatory phase that involved **close interaction with the companies** involved, and tailoring of the programme to their needs. The strong reputation of the Partnership company in delivering high quality work was seen as crucial in securing the buy-in from the companies involved.

During the course of the pilots, 16 people worked on job placements with 10 of those being offered jobs in the company after the placements ended. 6-12 months after the conclusion of the two rotations, 4 of those were still working with the company, while another 5 had either progressed to other employment, or were participating in full-time training. 40 employees of the two companies received further training.