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EEPO Review Spring 2015: Upskilling unemployed adults

The organisation, profiling and targeting of training provision

Ireland

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1. Introduction: Overview of organisation of training for unemployed adults 25-64 (funding, governance, providers)

Despite the rapid rise in unemployment that Ireland experienced during the recession, there was relatively little change in the composition of upskilling initiatives targeting unemployed adults. While a number of new initiatives were launched during the crisis period, the main changes in provision occurred through increases in the number of places available on programs that were already in existence prior to 2009. After the emergence of the financial crisis, the 2009 and 2010 budgets focused mainly on measures aimed at reducing the fiscal deficit; however, a number of existing programmes were re-organised or revamped in response to the alarming rise in unemployment¹. The first major new upskilling initiative did not come until the launch of the *Labour Market Activation Fund* (LMAF) in 2010. The LMAF, which ran until June 2011, provided training and education places for 12 629 unemployed persons. An evaluation of the LMAF drew relatively positive conclusions (PA Consulting, 2011). However, the study did not contain any counterfactual assessment.

Following the change in government in March 2011, the Fianna Gael\Labour coalition launched a *Jobs Fund* in June 2011. The initiative was to be financed by a 0.6 % levy on private pension funds which was designed to raise EUR 1.88 billion over a four-year period. The principal policies announced under the initiative included providing resources for an additional 15 000 places in training, work experience and educational opportunities for those who are out of work and expanding eligibility for the *Back to Education Allowance* (BTEA). In terms of the number of available places, the expansion of places in the Back to Education Allowance represents the most significant change in upskilling provision for unemployed adults since the onset of the crisis.

In addition to expanding BTEA provision, the Fine Gael\Labour coalition also launched a number of active labour market training programmes between 2011 and 2012. New initiatives included the *Springboard Programme*, the *JobBridge National Internship Scheme*, The *Momentum Programme* as detailed in Section 2 below. In the 2013 budget additional funding was announced for 10 000 activation places which included JobBridge (2 500 places), the Community Work Placement Initiative, TÚS (2 500 places), Community Employment (2 000 places) and a new Local Authority Social Employment Scheme (3 000 places).

A major overhaul in the administration and delivery of many upskilling programs took place during 2014 when the Education & Training Boards took over responsibility for the management of training delivery. This transfer forms part of the major structural reforms currently taking place in the Further Education and Training (FET) Sector in Ireland. All former FÁS training centres were also transferred to the Education and Training Boards. In relation to social partnership, there has been no formal model operational since 2010. There is no evidence that employers, trade unions, voluntary organisations etc. have provided any input into the design of upskilling initiatives that are currently operational. There is an increased recognition that employer engagement is crucial to ensuring an alignment between future provision and labour market needs (Solas, 2014). Some upskilling initiatives delivered through private providers (FIT and Skillnets) do have strong links with employers. However, these account for a very small share of total provision for upskilling and do not, to our knowledge, involve other social partners, such as, voluntary organisations and trade unions. Generally providers

¹ For instance, in May 2009 the *Back to Work Allowance* was re-launched as the *Back to Work and Enterprise Allowance*.

are responsible for less than 10 % of all accreditation from the further education and training sector in 2012 (McGuinness et al., 2014b).

The latest CSO figures for January 2015 indicate that there are 83 080 activation places across a range of programmes targeted primarily at the long-term unemployed (over 12 months) and other welfare recipients (including lone-parents). The principal education and training programmes are Back to Education Allowance (BTEA) (28 497 places), FÁS-full time training for unemployed people (7 552), and JobBridge (6 220)². The responsibility for the delivery of training initiatives stems across a number of organisations and departments including the Department of Social Protection (Jobbridge, Back to Education Allowance), the Department of Education and Skills (Springboard), SOLAS³ (Momentum) and the Education and Training Boards (FÁS training and VTOS). Given this structure, it is difficult to arrive at an estimate of total expenditure of activation training programs. The only available estimate comes from a government thematic review from 2011 (Central Expenditure Evaluation Unit, 2011) which estimated total programme spending in the area to be in the region of EUR 1.4 billion. The thematic review included around EUR 500 million spending on community employment commitments, EUR 180 million spent on further education courses such as Post Leaving Certificates in this category and EUR 91 million on the Back to Work Enterprise Allowance (BTWEA)⁴, so excluding these reduces the total spending on direct training initiatives to approximately EUR 685 million.

The estimated 2015 budget cost of the key upskilling initiatives considered in this report are EUR 182 million for the BTEA, EUR 82 million for Jobbridge, VTOS EUR 80 million, EUR 24 million for Springboard and EUR 24 million for Momentum. There is no direct estimate for FÁS programs within the budget document, however, EUR 228 million is earmarked under 'training people for employment', which roughly corresponds to the thematic review estimate of EUR 207 million spent on FÁS programs in 2010. The thematic review indicated that approximately 51 % of total spending was allocated towards specific skills training⁵, allowing us to estimate FÁS direct upskilling expenditure for jobseekers of EUR 116 million⁶. Given this, direct spending on central upskilling programs for the adult unemployed in Ireland is estimated at EUR 508 million for 2015.

2. Targeting provision to specific unemployed groups: detailed description of training provision

There are a number of programmes targeted to upskilling the unemployed, some are aimed at the graduate market, the most significant of which are Springboard and JobBridge, while other programmes cater for individuals who are further from the labour market, such as, the Back to Education Allowance (BTEA), the Vocational Training Opportunities Scheme (VTOS), Momentum and the Social Inclusion and Community Activation Programmes (SICAP). Specifically, literacy and numeracy programmes have a minority focus, although programmes such as BTEA and VTOS include aspects that seek to improve levels of literacy and numeracy. It is likely that programmes more closely aligned to the labour market, such as JobBridge,

² Source, Live Register, CSO (February, 2014).

<http://www.cso.ie/en/releasesandpublications/er/lr/liveregisternovember2014/#.VL5LhUesVrs>

³ The Further Education and Training Authority (An tSerbhís Oideachais Leanúnaigh agus Scileanna).

⁴<http://igees.gov.ie/wp-content/uploads/2014/02/Comprehensive-Review-of-Expenditure-Labour-Market-Activation-and-Training.pdf>, page 10

⁵ The balance was accounted for by spending on apprenticeships and traineeships.

⁶ €228m*0.51.

Springboard and Momentum, performed better at meeting their objectives but it is difficult to draw any conclusions on the effectiveness of such upskilling programmes due to the lack of any formal, rigorous evaluation. The sections below provide more detail on specific programmes.

The following section provides more detail on the principal upskilling initiatives, targeted at the adult unemployed, currently operating in Ireland.

2.1 Back to Education Allowance

The Back to Education Allowance (BTEA) is a non-statutory second-chance education opportunities scheme for individuals in receipt of certain qualifying social welfare payments⁷ who would like to undertake a second or third level education course in order to improve their education and skills. BTEA courses are predominately provided by education institutions that are under the remit of the Department of Education and Skills (DES), while the income support associated with the scheme is controlled by the Department of Social Protection (DSP). In its role in the administration of the BTEA programme, the objective of the DSP is to raise the education and skill levels of unemployed individuals in order to help them to gain employment.

To be eligible for the BTEA, individuals must be at least 21 years of age: for those who would like to undertake a third-level post-graduate course,⁸ the minimum age level is 24. However, people aged between 18 and 20 that are in receipt of Jobseeker's Allowance (JA), Jobseeker's Benefit (JB) or a One-Parent Family (OPF) payment and have been out of the formal education system for at least 2 years are also eligible for the BTEA. Individuals aged 18 or over (over 24 years old for post-graduate courses) that are in receipt of a blind pension, disability allowance, invalidity pension or incapacity supplement can qualify as well. BTEA payments can be used by recipients to pursue second-level or third-level training. It is thought that the majority of individuals participating in the second level option pursue Post-Leaving Certificate (PLC) courses within the Further Education and Training (FET) sector, however, less is known with respect to the courses taken by individuals using the BTEA to undertake third-level studies.

Table 1 presents BTEA recipient numbers and expenditure since the programme was established in 1998. The expenditure information specifically captures the annual cost of the programme to the DSP, via the value of the total allowances that it paid out under the programme.⁹ For the first 10 years of the scheme, recipient numbers increased gradually from 4 139 in 1998 to 7 886 in 2008, with some small declines in participation recorded in 2004 to 2006. Naturally, programme expenditure increased over this time period as well, from EUR 16.33 million in 1998 to EUR 77.18 million in 2008. However, with the onset of the recession in late 2008, participants in the BTEA programme increased by 101.3 % between 2008 and 2009 (rising to 15 887). The

⁷ Jobseeker's allowance, jobseeker's benefit, farm assist, one-parent family payment, deserted wife's benefit or allowance, widow's, widower's or surviving civil partner's contributory or non-contributory pension, prisoners wife's allowance, carer's allowance, blind pension, disability allowance, invalidity pension and incapacity supplement. People that have been in receipt of illness benefit for 2 years or more can also qualify for the BTEA.

⁸ Only post-graduate courses that lead to a Higher Diploma qualification or a Graduate Diploma in Education are eligible for the BTEA scheme. One exception to this rule, however, is where a college has admitted a person without a primary degree to a Master's course on the basis of relevant life experience.

⁹ The expenditure information does not cover the educational costs associated with the programme.

number of BTEA recipients has continued to grow since this, peaking at just under 25 000 in 2012 and falling to 24 175 in 2013.¹⁰

Table 1. BTEA Recipient Numbers and Expenditure: 1998 - 2013⁽¹⁾

| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|----------------------------------|-------|-------|-------|--------|--------|--------|--------|---------------------|
| Expenditure (EUR million) | 16.33 | 19.88 | 29.08 | 30.55 | 35.39 | 38.27 | 44.16 | 46.69 |
| Recipients | 4 139 | 4 518 | 4 237 | 4 101 | 5 041 | 5 696 | 5 247 | 5 156 |
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 ⁽²⁾ |
| Expenditure (EUR million) | 52.07 | 64.14 | 77.13 | 107.31 | 179.85 | 201.51 | 199.56 | 186.87 |
| Recipients | 5 679 | 5 980 | 7 886 | 15 877 | 21 147 | 24 666 | 24 910 | 24 175 |

Source: *Statistical Information on Social Welfare Services* (Department Publications, 1998-2013)

Note: ⁽¹⁾ Expenditure based on calendar year and recipient numbers based on 31 December of each year.

⁽²⁾ Provisional

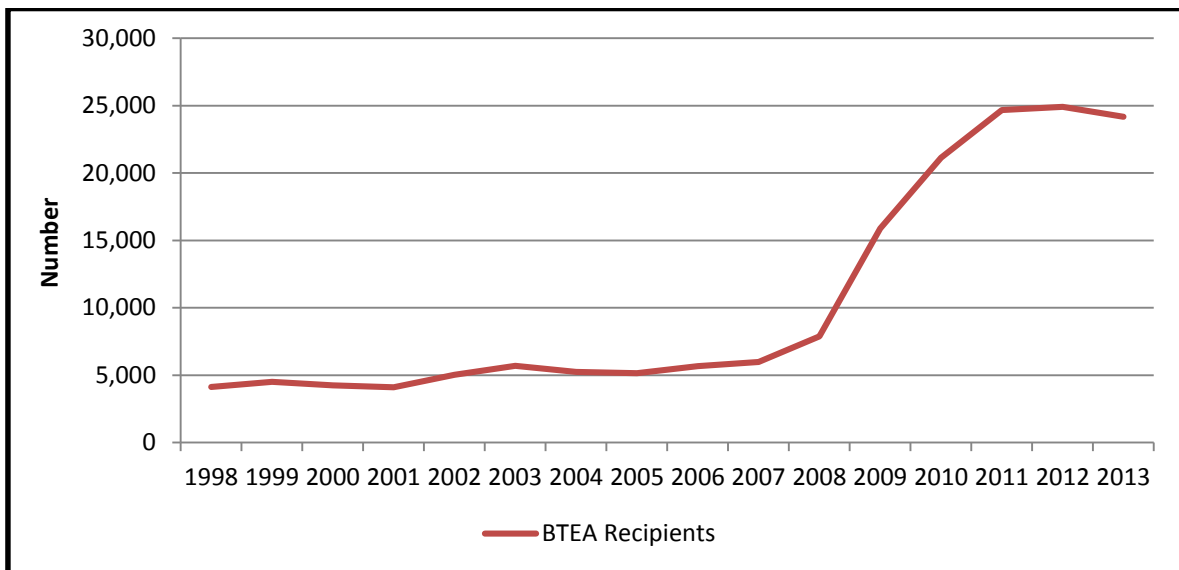
Given the large rise in participant numbers since 2008, programme expenditure has increased considerably, growing from EUR 77.13 million in 2008 to a peak of EUR 199.56 million in 2012. In 2013, expenditure on the BTEA programme fell to EUR 186.87 million, which is in line with the fall in recipient numbers. The growth in both BTEA recipients and programme expenditure with the onset of the recession in 2008 can be seen clearly in Figures 1 and 2, respectively.

Historically, the BTEA has been the largest scheme within the Department's *Working Age Employment Supports* high-level expenditure programme, in terms of both recipient numbers and expenditure. While this is still the case in terms of numbers, since responsibility for expenditure on the Community Employment (CE) scheme was transferred to the DSP in 2011 the largest proportion of its employment supports programme budget is now spent on the CE scheme: this stood at EUR 342.69 million in 2013, which was almost 35 % of the Department's employment supports programme budget for that year. This expenditure compares with EUR 186.87 million on the BTEA programme.¹¹ Nevertheless, the BTEA represents the most substantial aspect of programs aimed at upskilling the unemployed in Ireland.

¹⁰ In 2013, the BTEA payment mechanism was used for shorter Momentum courses; thus, a proportion of the 2013 BTEA recipient figures relates to Momentum programme participants - approximately 1 600 at the end of 2013. Consequently, a percentage of the 2013 BTEA expenditure will relate to Momentum courses as well (information provided by the DSP).

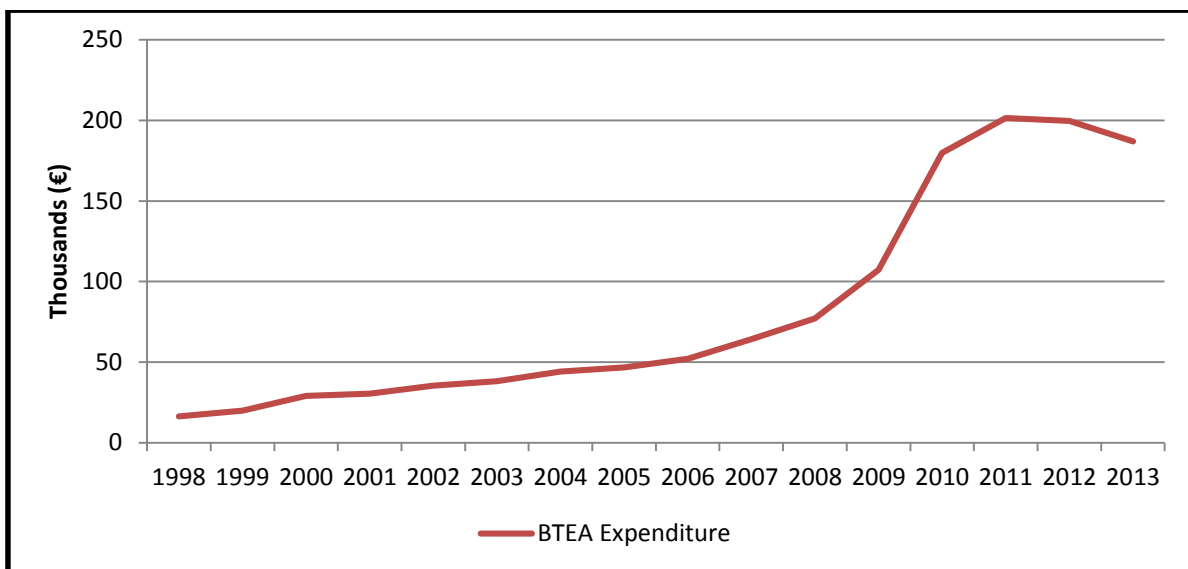
¹¹ For more information on the Department's employment support programmes, in terms of both numbers and expenditure, see the DSP's *Statistical Information on Social Welfare Services* reports (1998 to 2013).

Figure 1. Number of BTEA Recipients: 1998 to 2013



Source: Statistical Information on Social Welfare Services (Department Publications, 1998-2013)

Figure 2. BTEA Programme Expenditure (EUR million): 1998 to 2013



Source: Statistical Information on Social Welfare Services (Department Publications, 1998-2013)

In 2003, a Department of Social and Family Affairs (DSFA)¹² Working Group (WG) was established to review expenditure under the BTEA (Department of Social and Family Affairs, 2005a).¹³ Specifically, it examined employment status data gathered from a survey of 551 BTEA recipients in 2004 relative to a control group of eligible but non-BTEA participants. The survey results indicated that 63 % of BTEA recipients were in either full-time or part-time employment at the time the survey was conducted, while a further 9 % were undertaking further education. Examination of the administrative data revealed that in 2004 there was no difference in the Live Register status of the 1999 programme participants and the eligible but non-programme participants: the

¹² Known as the DSP since 2010.

¹³ The WG consisted mainly of individuals from the DSFA, but also the Department of Education and Science (DES since 2010), the Department of Enterprise, Trade and Employment (Department of Jobs, Enterprise and Innovation since 2011) and the Department of Finance.

same percentage (64 %) of both samples were no longer on the Live Register in 2004. A new evaluation carried out by the ESRI and containing a counterfactual estimate, will be published by the ESRI in mid-2015.

2.2 The Springboard Programme

The *Springboard Programme* was launched in May 2011 and effectively replaced the *Labour Market Activation Fund*. Springboard provides places for unemployed people on a range of courses that provide certification up to Master's Degree level. The programme offers part-time education places providing re-training opportunities for jobseekers. Most of the courses last for one year or less. Programme places are funded by the Department of Education and Skills, with *Springboard* participants permitted to retain their jobseekers payments while undertaking their courses. At its launch point, the programme had a stated capacity of providing 6 000 training places. Three rounds of The *Springboard Programme* were launched with courses reported to focus on growth areas such as Information Technology, Communication, International Languages and International Financial Services. The latest reports state that a similar number of places are available. As of yet, no evidence is available regarding the effectiveness of Springboard, however, it is expected that an evaluation will commence in the near future.

2.3 JobBridge National Internship Scheme

The *JobBridge National Internship Scheme* was launched on 29 June 2011 and had the stated objective of providing relevant work experience to jobseekers in order to improve their prospects of securing future employment. The programme is managed and funded by the Department for Social Protection. The *JobBridge* initiative shares certain characteristics of both a training programme and a private sector incentive scheme. The placement component of the programme is designed to provide relevant work experience, and as such, may facilitate on-the-job training. The wage incentive takes the form of a weekly EUR 50 top-up paid to the participant in addition to his or her social welfare payment.

It is targeted at individuals who have been receiving jobseeker's payments or signing for credits for the last three months. Participants in the scheme will be offered an internship of either six or nine months with a host organisation.

By the end of February 2015, approximately 31 378 individuals had finished their internship and the current enrolment was reported as 6 137.¹⁴ An evaluation of the JobBridge programme found that 52 % of participants were in employment a few months after the internship, rates substantially higher than comparison groups of claimants with similar age and unemployment duration profiles. However, this finding is based on descriptive comparisons, as opposed to econometric techniques that measure the counterfactual using a properly constructed control group. Minister Kevin Humphreys, at the Department of Social Protection with Special Responsibility for Activation, recently stated that 'the Department will during 2015 undertake an evaluation of a number of programmes, including JobBridge.'¹⁵

2.4 The Momentum Programme

The *Momentum Programme* was launched in December 2012 as an initiative designed to provide labour market relevant training to 6 500 long-term unemployed claimants. The initiative is the responsibility of SOLAS. The aim is for jobseekers to gain in-

¹⁴ <https://www.kildarestreet.com/wrans/?id=2015-02-26a.138&s=jobbridge#g139.q>

¹⁵ <http://oireachtasdebates.oireachtas.ie/debates%20authoring/debateswebpack.nsf/%28indexlo%20okupdail%29/20150114~WRE?opendocument>

demand skills to access work in sectors of the economy where there are job opportunities. The programmes include on-the-job training in the form of work experience modules as well as the development of the workplace skills required to obtain and retain employment. Education and training providers from both the private and public sectors are offering *Momentum Programmes* in over 80 locations nationwide. The courses are reported to focus on growth areas such as ICT, digital media, healthcare and social services, the green economy, food processing and sales and marketing.

The courses are coordinated by Local Employment Services (*Intreo*), offered free to study part-time or full-time and are aligned to the National Framework of Qualification (NFQ) at levels 3-6 or to another industry required certification within the sector. The duration of the projects varies from 11 to 45 weeks.

To date, no evidence is available regarding the effectiveness of the *Momentum Programme*; however, it is our understanding that the publication of an evaluation study is imminent.

2.5 The Jobseekers Support Program

The Jobseekers Support Programme (JSSP) was launched in 2010 with the aim of upskilling jobseekers in an enterprise-based environment in order to increase their chances of finding employment. The JSSP is managed and administered by Skillnets¹⁶. To qualify for a JSSP course, jobseekers must be unemployed for 12 months or more **or** be qualified to below level 5 on the National framework of qualifications **or** be under the age of 35 **or** have been formally employed in construction, retail or manufacturing **or** have an objective of being employed within ICT. In 2013, 3 027 jobseekers received training under the JSSP at a cost of just under EUR 3 million. An evaluation of the JSSP revealed that just under 50 % of 2013 participants were employed by 2014, with approximately 16 % of trainees gaining employment directly as a consequence of the programs work placement (Indecon, 2014). While no counterfactual estimate is available, the descriptive results appear positive.

2.6 Vocational Training Opportunities Scheme (VTOS)

The VTOS programme is an educational and training opportunities scheme for unemployed persons designed to develop employability or further opportunities leading to employment. There are approximately 5 000 VTOS places each year. The 2015 budget allocation for VTOS is EUR 6 million. In 2011, VTOS learners were an evenly mixed gender cohort with 59 % between the ages of 25 and 44. 52 % were unemployed for more than 12 months, 23 % unemployed for less than 12 months, and the remainder were in receipt of other benefits such as Disability Allowance and One Parent Family Payment (McGuinness et al., 2014). 44 % of participants' highest educational attainment was below upper second level (NFQ level 4). VTOS courses are delivered predominantly within ETBs. VTOS has not been formally evaluated, however, it has been estimated that 61 % of VTOS participants achieved full accreditation.

2.7 Social Inclusion and Community Activation Programme (SICAP)

SICAP will replace the Local Community Development Programme in 2015. It was allocated a budget of EUR 46 million and will be administered by the Department of the Environment, Community and Local Government. The programme aims to cater for individuals that are further from the labour market and will provide support for

¹⁶ Skillnets was founded in 1999 and is financed through the National Training Fund (NTF) through the Department of Education and Skills.

approximately 30 000 people to improve their work prospects. The target groups are: children and families from disadvantaged areas, lone parents, new communities (including refugees and asylum seekers) and Roma, people with disabilities, unemployed people (including those not on the Live Register) and members of the travelling community. It is likely that the SICAP programme will have the remit for developing specific upskilling initiatives for unemployed adults who are particularly far from the labour market.

2.8 Other Upskilling Initiatives

There are a number of part-time programs provided by the VECs that can be accessed by jobseekers, however, the initiatives are not specific to them. Programs include (1) Community Education, Adult Literacy, Intensive Tuition in Adult Basic Education (ITABE) and English for Speakers of Other Languages (ESOL).

Community Education works with adults who wish to return to or continue their education, with a focus on people who are distant from education. Community education is grounded on principles of justice, equality, social inclusion and citizenship leading to positive personal, social and economic outcomes. The highest representation of female learners is in Community education, where three quarters of learners were female in 2011. Learners have a relatively older profile with almost half the learners over 55 years of age.

The National Adult Literacy Agency (NALA) defines literacy as involving listening and speaking, reading, writing, numeracy and using everyday technology to communicate and handle information which increases the opportunity for individuals and communities to reflect on their situation, explore new possibilities and initiate change.¹⁷ NALA focuses on literacy and numeracy tuition, in both one-to-one and group based settings, focussing on the unemployed and the low skilled in employment. The programme gives individuals the opportunity to combine a return to learning with family, work and other responsibilities. Intensive Tuition in Adult Basic Education (ITABE) is a model of tuition in adult literacy and basic education (numeracy, literacy and computers) for adults who are educationally disadvantaged. ESOL is concerned with developing speaking and listening skills for everyday use.

According to the most recent Operational Guidelines, the priority target cohort for the Adult Literacy programmes are adults whose literacy and numeracy levels do not match those at Level 3 on the National Framework of Qualifications (NFQ). Annual funding for adult literacy has increased from EUR 1 million in 1997 to EUR 18 million in 2004,¹⁸ and since 2007 funding has been at the level of EUR 30 million per annum.¹⁹ The number of adult literacy programme participants has increased from 5 000 in 1997 to over 57 000 in 2012. In addition to the courses provided through the Adult Literacy Service, NALA offers an interactive website (www.writeon.ie) that allows learners to study in their own time: almost 30 000 individuals have availed of this tuition mechanism. As well as this, employees can undertake courses in literacy and basic education through the Skills for Work Programme, which is a programme funded

¹⁷ NRDC, Institute of Education, London (2011). *A Literature Review of International Adult Literacy Policies*. Prepared for NALA by the NRDC. Dublin: NALA.

¹⁸ <http://www.nala.ie/literacy/literacy-in-ireland/policy-and-funding>

¹⁹ Department of Education and Skills (2013). *PIAC 2012: Survey Results for Ireland from the OECD's Programme for the International Assessment of Adult Competencies – Information Note* (<http://www.education.ie/en/Publications/Education-Reports/Programme-for-the-International-Assessment-of-Adult-Competencies-PIAAC-2012-Survey-Results-for-Ireland-Information-Note.pdf>).

by the DES and run by the ETBs: in 2012, over 2 600 employees completed courses under this programme.

A review of adult literacy provision was undertaken in 2012 and the results from this process were published in 2013.²⁰ The report made a total of 32 recommendations on how to further develop and enhance literacy provision in order to enable services to meet current and future needs of learners, employers and the government. The review examined the level and nature of provision, and on foot of this, recommended more intensive options, group tuition, numeracy tuition, family literacy, distance and blended learning options. The report also made recommendations on learner assessment, availability of accredited options, identifying learners (including the unemployed), the integration of literacy in other programmes²¹ and the training of staff. It is expected that SOLAS, through its FET strategy, will play an important role in the implementation of some of the recommendations contained in the adult literacy review report.

3. Most Significant Practice

It is difficult to isolate the performance of any particular aspect of Irish provision in the area of upskilling the unemployed due to the almost complete absence of reliable evaluations of existing training programs. Existing 'evaluations' focus on student experiences, exit patterns and tend not to provide any measurement of a counterfactual. Given that FÁS training programs were subject to an evaluation in recent times, this element of upskilling is our chosen as being of significant practice on the grounds that it is the only programme area where definite conclusions can be drawn with regard to its effectiveness.

According to a 2010 thematic review of activation training, specific skills training accounts for just over 50 % of total FÁS expenditures, with apprenticeship spending accounting for one third and traineeships the remainder. McGuinness et al. (2014a) provide evaluation evidence related to FÁS specific skills training undertaken by jobseekers and the findings of this study represent the key aspects of significant practice discussed here.

McGuinness et al. (2014a) use a longitudinal dataset to assess the differential impact of various types of FÁS training programs relative to a control group of non-participants. The study categorised FÁS training programs according to skill content and demonstrated that while training durations varied considerably, they were typically less than 6 months with training durations longest in more skill intensive programs. Perhaps more importantly, the study found that the over two-thirds of specific skills training was general or low-skilled in nature, with medium to high-skilled training accounting for just 20 % of total training. General training programmes were those that had no specific link to labour market and included courses such as the *European Computer Driving License* (ECDL). Courses such as *The Introduction to Warehousing and Distribution* was typical of medium-skills provision, while high-skilled training included courses such as *Computer Aided Design*. It is important to note that

²⁰ Department of Education and Skills (2013). *Review of ALCES funded Adult Literacy Provision*. Dublin: Department of Education and Skills.

²¹ NALA has undertaken research on literacy and numeracy practice in Ireland (e.g., NALA (2013). *What Really Counts: Case Studies of Adult Numeracy Practice in Ireland*. Dublin: NALA), as well as research on the integration of literacy and numeracy in FET (e.g., Hegarty, A. and Feeley, M. (2009). *Literacy-friendly Further Education and Training*. Dublin: NALA; McSkeane, E. (2009). *Living Literacy: A Whole-organisation Approach to Integrating Literacy in a Vocational Training Setting*. Dublin: NALA.

the distribution in Table 2 is based on a sample of FÁS participants. Nevertheless, it is likely to be representative of the composition of training in 2008.

Table 2. Distribution of Government-Sponsored Training Programmes by Duration and Level

| | Average Duration (Weeks) | Number | Percent |
|--------------------------|-------------------------------------|---------------|----------------|
| Programme Type: | | | |
| Job Search Training | 8 | 63 | 8 |
| General Training | 17 | 256 | 41 |
| Specific Skills – Low | 18 | 179 | 29 |
| Specific Skills – Medium | 19 | 98 | 16 |
| Specific Skills – High | 40 | 25 | 4 |
| Total: | | 621 | 100 |

Source: McGuinness et al (2014a)

The extent to which the composition of FÁS training has changed since 2008 is unclear, as the most recent follow up survey of FÁS trainees (SOLAS, 2014) provides no detail in this respect. Given the relative inertia of active training provision in Ireland since 2009, it is unlikely that the composition of training has altered radically.

The analysis detects strong-positive impacts on exits from unemployment for job-search training and both high and medium-level specific skills training. There was little consistent evidence to support the view that low-skills or general training significantly improved the short-term labour market prospects of participants. The research also found that shorter duration training programmes were more effective for the unemployed, with the exception of high-level skills training where there appears to be a pay-off to more extended training durations.

The results from the McGuinness et al. (2014a) study suggest that, while high- and medium-skill FÁS training programmes appear to be very effective in terms of getting jobseekers out of unemployment they account for only 20 % of total provision. Over two-thirds of all FÁS training days were spent in, arguably, much less effective low-skill or general training, which, based on the empirical analysis, was found to have only modest employment effects. The research points to the importance of re-orientating FÁS training more heavily towards higher-value added specific skills training and short-duration programmes aimed at enhancing claimant’s job search skills.

CASE STUDY BOX

| |
|--|
| <p>Country: Ireland</p> <p>Name of training programme: FÁS full-time training for unemployed people</p> <p>Short description and aims of the training programme: General work experience and employability skills; initial vocational training oriented to a specific job; continuing training to up/re-skill in own occupation/sector.</p> <p>Target group: Jobseekers</p> <p>Number of participants: approx. 7 500 (CSO figures from January 2015)</p> <p>Duration of programme for the beneficiary (and amount of subsidy</p> |
|--|

beneficiaries receive, if applicable): Typically less than 6 months. Subsidy relates to a training allowance roughly equivalent to job seekers benefit.

Target group or educational level targeted: The unemployed

Eligibility Criteria: Must be a jobseeker

Funding source and total budget (share of EU funding, if applicable): Irish government provides a budget of approximately EUR 116 million²².

Types of skills (or qualification if relevant) delivered: The majority of provision is accredited at FETAC levels 4-7 with around 20 % of training characterised as high or medium skilled with the majority of the balance general or low skilled. Provision is delivered across a wide variety of subject areas.

Actors involved in the provision of training and their role: FÁS training centres and approved providers.

Summary of evaluation findings: High- and medium-skill FÁS training programmes appears to be very effective but accounts for only 20 % of total provision. Over two-thirds of all FÁS training days were spent in, arguably, much less effective low-skilled or general training, which, based on the empirical analysis, was found to have only modest employment effects. The evidence points to the importance of re-orientating FÁS training more heavily towards higher-value added specific skills training and short duration programmes aimed at enhancing claimant's job search skills. **Policy lessons:** Job seekers gain relatively little benefit from training in general or low skill areas that are have weak links to the labour market.

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Internet: (<https://ideas.repec.org/a/eso/journal/v45y2014i3p425-450.html>)

4. Conclusion

In its 2011 thematic review of labour market activation and training, the Central Evaluation Unit, while recognising the importance of generic and foundation skills, recommended that there should be a greater emphasis on specific skills in the training and placement programmes available to job-seekers.

In general, it would appear that some progress has been made since 2011. In particular, programmes like Jobbridge, Momentum, Springboard and the Jobseekers Support Programme appear to be heavily aligned to labour-market demand with a high emphasis on specific skills. While none of the documentation attached to any of the programmes provides a clear evidence base for the specific approach taken, presumably, the rationale for many of the programmes is based on the international literature which highlights the importance of the acquisition of both general and specific skills for improving labour market outcomes. Nevertheless, none of the documentation made any reference to this evidence base. It is not possible to

²² See discussion on FÁS expenditure above and (<http://igees.gov.ie/wp-content/uploads/2014/02/Comprehensive-Review-of-Expenditure-Labour-Market-Activation-and-Training.pdf>)

comment on the effectiveness of these programmes in the absence of quality evaluations. Nevertheless, it may well be the case that the emphasis on training for real jobs will raise employment prospects of participants to a level above that of non-activated jobseekers.

It is much less clear that training provision provided within FÁS courses or experienced by individuals in receipt of the Back to Education Allowance, both of which account for over 80 % of total expenditures in the area of upskilling unemployed adults, have a sufficiently high focus on job specific skills. The existing evaluation research raises substantial questions regarding the extent to which both programmes equip jobseekers with skills that are in demand within the labour market. The ESRI evaluation of FÁS specific skills training demonstrated substantial benefits from high and medium skills training, however, the majority of FÁS courses can be categorised as general or low-skilled and have limited impacts on jobseekers likelihood of exiting unemployment. With regard to the BTEA, despite having an annual budget of almost EUR 200 million, virtually nothing is known of the courses undertaken by jobseekers in receipt of this allowance. The limited evaluation evidence that does exist indicates that BTEA support has no positive impacts on participant's chances of gaining employment, which raises serious questions with regard to the skills content of the programmes undertaken by jobseekers in receipt of this benefit.

An assessment of the impact of the investment in upskilling is complex given the lack of formal and substantive evaluations. However, it is clear that the balance of investment between practical skill-based training and educational programmes is skewed towards the latter. Given the international literature, there are strong grounds to argue that there is substantial scope for rebalancing current upskilling provision more towards specific skills training. Thus, in conclusion, while there is a strong emphasis on providing job specific skills within more newly developed training programmes aimed at upskilling unemployed adults, serious questions remain with respect to the skills content of legacy initiatives that account for the vast majority of total spending in the area.

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Annex 1: Measure Description Table

Main training programmes in IRELAND

| Name of training programme | LMP measure: the name and number of the relevant LMP measure, based on the list of LMP measures in the qualitative LMP report (if possible to attribute the training programme to the LMP measure) | Short description and aims of the training programme: e.g. basic skills(literacy, numeracy, ICT, other skills); general work experience and employability skills; initial vocational training oriented to a specific job; continuing training to up/re-skill in own occupation/sector; validation of prior learning and experience; tertiary education; preparation to start own business, etc. | No. of participants | Duration of programme for the beneficiary (and amount of subsidy, if applicable) | Target group or educational level targeted | Criteria for accessing the programme | Funding source and total budget | Types of skills (or qualification if relevant) delivered | Actors involved in training provision and their role | Evaluation results available (here, please provide detail on the method used, on the coverage, and on the evaluation findings) | If no evaluation is available, what is the expert's assessment of the impact of the measure? |
|------------------------------------|--|---|---------------------|--|--|--------------------------------------|--|---|--|--|--|
| FÁS specific skills | 2.39 Specific Skills Training | Provide a range of course provision including, full-time part-time and online courses. In terms of full time courses, the majority of provision can be characterised as general and low skill training. | 7 500 | Typically less than 5 months. | Jobseekers | Exits to employment | Government, approximately EUR 116m | A range of qualifications but mostly sub-tertiary | FÁS training centres and providers. | McGuinness et al (2014) apply a counterfactual approach and find limited impacts for majority of provision. | |
| Back to Education Allowance | 2.10 (BTEA) Back to Education Allowance | To raise the education and skill levels of unemployed individuals in order to help them to gain employment. | 24 000 | Typically 1 to 2 years | Adults in receipt of jobseekers and other benefits. | Exits to employment | EUR 186m | Second and third-level qualifications | BTEAs and third-level providers | Department of Social and Family Affairs. (2005). The study found that the exit rates to employment were similar to those of a control group. | |
| JobBridge | 2.72 JobBridge | To provide relevant work experience to jobseekers in order to improve their prospects of securing future employment. | 6 137 | Six or Nine months | Individuals receiving jobseeker's payments or signing for credits for the last three months. | Exits to employment | Government expenditure of EUR 81.8 million in 2013 ²³ | Provide relevant work experience, such as, facilitating on-the-job training | Department of Social Protection (DSP) | An evaluation of the JobBridge programme found that 52 % of participants were in employment a few months after the internship, rates substantially higher than comparison groups of claimants with similar age and unemployment duration profiles. However, this finding is based on descriptive comparisons, as opposed to econometric techniques that measure the counterfactual using a properly constructed control group. | |
| MOMENTUM | - | To provide labour market relevant training | 6 500 | 11 to 45 weeks | Long-term unemployed | Exits to | MOMENTUM is supported by | Certification is aligned to the | MOMENTUM is | To date, no evidence is | |

²³ http://meathfinegael.ie/wp-content/uploads/2012/12/DSP_Budget_2013_Briefing.pdf

| | | | | | | | | | | |
|-----------------------------|---|--|-------|--------------|--|---------------------|--|--|---|---|
| | | | | | claimants. | employment | the Labour Market Education & Training Fund (LMETF) which is part of the Government's Action Plan for Jobs programme. This initiative is funded by the European Social Fund/European Structural Funds Programme 2014-2020. Government budget of EUR 20m. | National framework of Qualification (NFQ) at levels 3-6 or to another industry required certification within the sector. | administered by SOLAS. The courses are coordinated by Local Employment Services (Intreo). | available regarding the effectiveness of the <i>Momentum Programme</i> . It is our understanding that the publication of an evaluation study is imminent. |
| Long-term unemployed | | | | | | | | | | |
| VTOS | 2.35 (VTOS) Vocational Training Opportunities Scheme | To provide educational and training opportunities scheme for unemployed persons designed to develop employability or further opportunities leading to employment | 5 000 | 1 to 2 years | Individuals over 21 years of age, unemployed, and at least six months in receipt of specific social welfare payments | Exits to employment | Government expenditure budget of EUR 6m for 2015. | Certification is available at a range of levels, including Junior Certificate, Leaving Certificate, and FETAC Levels, 3,4 & 5. | The Department of Education and Skills allocates places to the Education and Training Boards (ETBs) | WRC Social and Economic Consultants (1994) ²⁴ |

²⁴ <http://www.wrc.ie/publications/reporton.pdf>

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