



IRELAND's

**NATIONAL
EMPLOYMENT
ACTION PLAN
2000**

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SECTION 1

Overview of the Employment Action Plan

1.1 Economic and Employment Situation

Economic Growth and Outlook

The exceptional performance of the Irish economy continues. 1999 was the sixth year of extremely strong economic growth. The Department of Finance's latest forecasts¹ estimate that real GNP expanded by 7.4% in 1999 while real Gross Domestic Product (GDP) grew by 8.4%. Growth in GNP has averaged about 8 % per annum over the period 1994-1999.

The outlook remains positive. The international economy is improving with conditions in Ireland's main trading partners expected to pick up in 2000 after a mild slowdown in 1999. Combined with the relative weakness of the Euro - which will help Ireland's exporters outside the Eurozone - this will underpin continued growth in exports. The factors supporting domestic demand are also expected to continue. Further gains in employment and real disposable incomes are forecast while interest rates are expected to remain at relatively low levels in the near-term.

The latest macroeconomic assessment forecasts that real GDP will increase at an annual average rate of 6½% over the three years 2000-2002. Gross National Product (GNP) growth, which is a more appropriate measure for Ireland, will average 5.6 %.² This slowdown in growth compared to the recent past reflects supply-side constraints including the fact that labour resources are now more scarce. Labour force growth of about 2.25% per annum is expected over the period 2000-2002, a marked slowdown but well above the European average in the near-term. Natural increases will be augmented by further increases in participation and continuing net immigration. Unemployment is now below 5 % and further large falls in unemployment are not expected.

This benign economic scenario is not without risks. The emergence of significant supply constraints in the economy, might have a more adverse impact upon growth than are currently projected. It is possible that the labour force projections will turn out to be too optimistic. This would point to a slower rate of expansion than forecast.

The growing imbalances in the economy are most notable in the labour market. The reported increase in the level of vacancies, the sharp fall in unemployment and the pick-up in wages are signs of a tight labour market. Indicators from the Central Statistics Office (CSO) attempt to assess the extent of this labour market tightening. The CSO's measure of "potential labour supply" fell again according to the latest data. This indicator, which includes both the unemployed and others interested in obtaining work, fell from 10.6% in the fourth quarter of 1998 to 9.6%³ in the same quarter of 1999. The recent publication of the Economic & Social Research Institute's (ESRI) *National Survey of Vacancies* points to a similar picture (see **Appendix 1**), with a vacancy rate of 6 percent - i.e. there were 53,600 vacancies in total, a rate of 6% of employment.

Wages also accelerated during 1999 in response to these conditions. The economic outlook

¹ Published on Budget Day, December 1999

² The macroeconomic projections in the Stability and Growth Pact, which are the latest published assessments, forecast GNP to increase by 6.3%, 5.7% and 5% respectively in the three years 2000-2002. These will be revisited in mid-year 2000 by the Department of Finance.

³ This indicator of potential labour supply takes into account groups outside the labour force who have indicated some interest in obtaining a job. The largest such group, S3, includes, the ILO unemployed, plus those who are marginally attached to the labour force, plus those who are not in education but who want work, plus underemployed part-time workers.

is based on the maintenance of cost competitiveness. Any acceleration in wages, which does not match growth in productivity, could adversely affect economic prospects. A new pay agreement has been reached (Programme for Fairness and Prosperity) which should contain these pressures. However, if wages exceed these terms by a significant margin economic growth will be affected.

The recent increase in inflation to over 4% is partly due to higher wages. Higher wages in the services sector has pushed inflation to almost 6%. However the recent increase in inflation is the result of a number of factors. These include higher energy prices, the weak euro and higher excise duties on tobacco. It is forecast that inflation will fall during the course of the year and that non-inflationary growth will be maintained

Infrastructural constraints are also a potential economic risk. Congestion costs are rising, affecting the competitiveness of business. Unless successfully addressed these emerging bottlenecks will slow the economy. The National Development Plan (NDP) 2000-2006, is geared towards addressing these issues. Implementation of the Plan is therefore essential if economic progress is to be maintained.

The labour market is increasingly tight with unemployment now below 5%. Policies to integrate the unemployed, to encourage higher participation and to increase net immigration will help in sustaining economic growth. However, notwithstanding the success of these policies, it is anticipated that economic growth will slow as labour supply and demand reaches equilibrium.

EU Broad Economic Policy Guidelines

Government policy incorporates a range of reforms to encourage increased labour force participation and measures to tackle other supply side pressures. The EU's 1999 Broad Economic Policy Guidelines recommended that Ireland should be ready to use budgetary policy should there be evidence of wage inflation gathering pace. The Government's policy is to continue to reform the tax system, inter alia to increase work incentives in the context of wage moderation. The 1999 Broad Economic Policy Guidelines also emphasised that over the past ten years social partnership has succeeded in boosting economic growth, employment growth, increasing competitiveness and restraining unsustainable wage growth.

Employment

The exceptional expansion of the economy has been characterised by significant gains in employment. The numbers employed have grown by 5 % per annum over the most recent period of rapid economic growth. The underlying increase in employment is all the more remarkable in the two years to 4th Quarter 1999 when the numbers at work increased by just over 175,000, or on average by 6% per annum. Key aspects of the growth in employment in the 12 months to 4th Quarter 1999 were:

- The vast bulk of the increase has been in private sector jobs, as public sector employment levels⁴ have remained more or less static
- Service sector job growth across a broad range of sectors accounted for over 70% of total job growth
- Male & female jobs growth was of the same order in terms of absolute numbers of additional jobs, although the rate of growth in female employment, coming from a smaller base, at 10.3% was greater than for males at 6.6%.

Unemployment

⁴ CSO Quarterly National Household Survey – 4th Quarter 1999 (Table 14)

The downward trend in unemployment, evident since the improvement in the business cycle from 1994, continued in 1999. In the twelve month period to 4th Quarter 1999 unemployment fell by 15,700 of which 90% was accounted for by a fall in long-term unemployment. By the 4th Quarter, the unemployment rate had declined from 6.7%, one year previously, to 5.1% with the long-term unemployment rate declining from 3.7% to 2.1% over the same period. The Standardised Unemployment Rate (SUR) by end-March 2000 has declined to 4.7%. This means that the targets set in last year's Employment Action Plan to reduce unemployment to 5% and long-term unemployment to 2% by end-year 2000 have been met well ahead of time. The data reproduced at **Appendix 2** shows the composition of long-term unemployment by age and gender and reveals the extent to which men are over-represented in long-term unemployment at 72%, compared to their 60% representation in the labour force.

Tightening Labour Market

The International Labour Organisation (ILO) definition of unemployment encompasses those who are out of work and actively seeking work. **Appendix 3** shows the trend changes in numbers unemployed disaggregated by short-term (STU) and long-term (LTU) unemployment, together with trend changes in the number of persons who are "marginally attached" to the labour force (who are classified as economically inactive and outside the labour force, based on the ILO measure). Using this wider interpretation, the numbers out of work but potentially available for work⁵ has fallen from just under one-quarter of a million to slightly above 100,000 in the short period under review. Clearly all components of potential labour supply highlighted at **Appendix 3** - short-term and long-term unemployed, and those marginally attached - have registered significant declines.

1.2 Overall Employment Strategy & Its Objectives

The labour market challenges that Ireland faces in the future have moved from being focussed solely on tackling unemployment to pursuing policies that provide the economy with an adequate supply of appropriately skilled workers to sustain economic growth.

In this regard, it is important in the first instance to distinguish analytically between the different types of labour market imbalances. Thus:

- (a) **Skills shortages**: arise where there is an insufficiency of particular types of specialised workers, even where the aggregate supply and demand are in balance or, indeed, surplus; and
- (b) **Labour shortages**: arise where there is a generalised insufficiency of workers at prevailing rates of pay.

In popular usage, both are often described as "skill shortages" although their causes and remedies are quite different.

The national policy response to generalised labour shortages is different in character to policies designed to alleviate skills shortages or to close the "skills gap". Appropriate responses to labour shortages have been aimed at expanding the overall supply of labour in the economy, including:

- Assisting *unemployed* in their return to work; and
- Increasing *labour force participation*.

In the case of skills shortages, enhanced education (third level) and training (e.g. FÁS) provision comprises a principal policy response. This approach was adopted in implementing

⁵ The Table excludes reference to groups other than those marginally attached to the labour force (i.e. persons not in education who want work, persons in education who want work and other persons not marginally attached who are not in the labour force).

the recommendations of the 1st Report of the Expert Group on Future Skills Needs. This strategy represents but one element of a broad-based national policy response on the supply side to high-level skills imbalances. Closing the “skills gaps” with competitor countries requires a commitment to in-company training and lifelong learning for those already at work. This skills upgrading can also play a part in alleviating skills shortages.

Attracting immigrants to augment domestic skills also represents an additional source of labour supply. A balanced approach to immigration is being developed based on a more proactive policy to meet selected skills needs. As part of this policy the Government, in March 2000, decided that a working visa system be introduced in respect of persons in selected occupational categories.

To place these issues in context, a notable feature of the most recent vacancy survey (see **Appendix 1**) is that the largest number of vacancies, when viewed in numerical terms, occurs in a somewhat diverse range of occupational areas, with 60 per cent of all vacancies being in respect of jobs requiring skills at what might be termed intermediate or lower levels. While the education and training skills debate in Ireland, as in other advanced countries, has been informed by the view that the high-skilled route is the principal one that will sustain economic growth in the long-run, the reality is that the requirements for high-skilled workers tends to co-exist with the need for medium or low-skill employees, especially in circumstances of high economic growth. Thus while the strong demand which is projected for higher skilled occupations in high-skilled sectors undoubtedly suggests the need for an intensification of human resource supports in high-tech areas, the evidence also signals a need for a range of human resource inputs across a wider spectrum of labour market activity. This underlines the importance of continuous redevelopment of existing education and training policies to cater for the full range of skills needs.

Strategies to address both skills and labour shortages have been set out in Ireland’s National Development Plan (NDP) 2000-2006. The Operational Programme (OP) for Employment and Human Resource Development, currently being finalised, will account for €14 billion, 25% of total planned expenditure. The OP describes in detail the employment objectives and strategies over the medium term, based on the four pillars of the Employment Action Plan, i.e. Employability, Entrepreneurship, Adaptability and Equality between Women and Men.

In conclusion, economic prospects remain favourable for Ireland. The forces behind buoyant demand show no sign of abating. However there are considerable pressures on available supply resources which are being reflected in higher wages and non-traded inflation. These pressures increase the risk of a sharper deceleration in activity than envisaged. Moreover, the latest assessment of the labour market suggests that sustainable economic growth could be lower than previously estimated. Inadequate labour supply and a sudden loss in competitiveness could lead to an appreciable growth slowdown.

When allied to the desire to reposition Irish industry so that it will have the adaptability to meet the challenges of new technologies, new skills and globalisation of markets, there is a need for employment and labour market policies to address both the quantitative and qualitative aspects of the labour market supply. Key overarching policies in this regard will be to continue efforts to increase participation in the labour force, by improving employability and the incentive to work (with particular reference to reform of fiscal policy), further develop education and training measures which retain a key role in overcoming supply-side constraints, develop a balanced immigration policy to meet specific skills shortages, drive lifelong learning policies (including upskilling of those already in the workforce) and enhance partnership between employers and employees at the level of the firm, particularly in relation to family-friendly practices.

The Strategy for 2000 also re-affirms the commitment in national policy to the provision of equal opportunities for women and disadvantaged categories in education, training and employment. Accordingly, the Plan will support individuals to achieve their full potential within the education and training system and their labour market integration. The achievement of equal opportunities between women and men is a horizontal principle of the National Development Plan. As an aid to the implementation of the commitments on gender equality set out in the NDP, the Government adopted Gender Assessment Guidelines in March 2000 for application across NDP measures. Accordingly, the completion of the Gender Impact Assessment Form will be required in relation to actions in the Employment Action Plan which are funded through the NDP.

Against that background, the following are the key objectives of labour market policy:

- To promote both employment growth and employment for all who seek it, and the effective elimination of long term unemployment
- To address skills and labour shortages in the economy by mobilising labour supply.
- To enhance labour quality through education, training and, in particular, lifelong learning.
- To strengthen the preventative approach to minimise unemployment and prevent drift into long term unemployment
- To support increased female participation, equal opportunities and a balanced increase in immigration.
- To promote social inclusion with particular reference to the re-integration of the socially excluded and, in particular, the long term unemployed into the open labour market.

SECTION 2

Policy Mix

2.1 Employability

The most significant new dimension to policy has been the implementation of the preventive strategy of engaging systematically with persons, at an early stage in the unemployment spell. Targeted groups of unemployed persons are referred by the Department of Social, Community and Family Affairs, to FÁS, with a view to offering them a job or employability support to assist their re-integration into the labour market. This approach has emphasised the need to considerably strengthen the capacity of Ireland's Employment Service, given the commitment to the case-management system now in operation, which underpins the preventive strategy. This strategy is being balanced with a continuing emphasis on the provision of supports and assistance to the long-term unemployed to assist in their re-integration into the open labour market. The challenge has been to prevent the drift into long-term unemployment while at the same time retaining interventions to re-integrate, into the open labour market, the long-term unemployed and other persons at a disadvantage in the labour market.

A further element as contained in the EU Employment Guidelines is a commitment to increasing the numbers of unemployed given access to training or other similar measures to the level of the best performing Member States.

A further key aspect of the policy mix, is the need to increase the reward for work by making it attractive for both employers to offer a job, and potential recruits to seek, and accept a job. The implementation of a tax credit system with the standard rating of the basic single and married personal allowances and the Pay As You Earn (PAYE) allowance and the individualisation of the standard rate band represents a fundamental reform of the tax system. The Government intends to achieve its objectives through a balanced strategy of removing the low-paid from the tax net, reducing the burden of personal taxation more generally, ensuring that a large majority of taxpayers are subject to no more than the standard rate of tax and completing the changeover to a more progressive system of tax credits.

In tandem with measures to reduce the tax burden on labour, the Government, as a further significant element within an overall strategic framework of improving the reward from work, introduced a National Minimum Wage, with effect from 1st April 2000. This has been combined with further work aimed at tackling unemployment and poverty traps that act as a disincentive to take-up and remain in work.

Education and training policies retain a key role in overcoming supply-side restrictions resulting from imbalances or mismatches of demand and supply. This requires major intervention to assist in upskilling the workforce and updating the skills of those persons who currently retain outdated or inappropriate skills. A further dimension of policy is to increase participation rates in the labour force. Female participation rates, particularly of women returners, are a particular target. These microeconomic initiatives designed to enhance labour market efficiency and boost labour supply are an integral part of Government policy.

The strong links between educational attainment and labour market success, the inter-generational aspect of unemployment and the link between high levels of unemployment and socio-economic class are well documented. A range of policies is in place to tackle

educational disadvantage and optimise participation in and benefit from the education system.

2.2 Entrepreneurship

Entrepreneurship has a vital role to play in the continuation of Ireland's economic progress and social development. One of the key policy objectives in this regard is the need to ensure macroeconomic stability and national-level competitiveness, particularly through a supportive fiscal and taxation environment, and social and industrial stability.

Maintaining a competitive, transparent and flexible business environment to facilitate and support the development of new enterprises involves policies such as:

- Increasing productivity amongst existing small business while also creating a climate supportive of new business start-ups.
- Increasing sectoral productivity, competitiveness and export performance by, inter alia, improving education and training levels and thereby enhancing the competitiveness of the traded sector of the economy.
- Helping Irish-owned companies to meet the challenges of rapidly changing international markets, promoting in particular diversification of markets in respect of indigenous enterprise and optimising linkages with Foreign Direct Investment (FDI) within Ireland.

Ensuring the continuation of success and maximising employment potential in the areas of technological development, traded services and the services sector requires emphasis on:

- Repositioning indigenous manufacturing enterprises generally to achieve scale, thereby enabling them to upgrade from low tech, low productivity activities to higher value activities, with higher quality jobs.
- Upgrading the R&D, technological and innovation capability of industry, strengthening the national research capability (including the third-level and other research institutes) and improving linkages between industry and the research system
- Identifying and addressing the constraints on the growth of international tradable services, particularly in the case of indigenous companies, and continuing to expand the sector rapidly from its current relatively small base.
- Developing the Financial Services sector so that it will adapt responsively to rapidly changing circumstances while, at the same time, providing greater protection to consumer interests.
- Ensuring maximum competition in the domestic services sector

Accelerating Ireland's transition to an Information Society and economy with a view to increasing economic competitiveness, employment, social inclusion is a major objective of Government policy. Policy will aim to build the human capacity to manage and shape the emerging Information Society and to participate in eBusiness, eOrganisations and eGovernment; to foster affordable and inclusive Information Society infrastructure and services; and to enable the participation by those who are currently excluded.

There is also recognition of the importance of equitable regional distribution of investment and employment growth, enhancing the role of Local Government in local economic, social and cultural development and promoting the emergence and consolidation of the social economy so as to maximise its potential to generate sustainable employment for people most distanced from the labour market.

2.3 Adaptability

In an era of rapid technological change and globalisation of markets internationally, coupled with emerging supply side constraints domestically, adaptability and flexibility are key to continued growth and development. The emergence of a tightening labour market and the need for increased emphasis on human resources as a key competitive element serve to underpin the importance of developing innovative ways of maximising the available labour supply.

A major aspect of adaptability is the issue of Lifelong Learning and associated issues of enhancing skills development at all levels of the workplace and facilitating labour market adaptability in response to rapid technological and structural change. All companies are faced with the need to sustain a competitive advantage and this can only be achieved through adaptation and upgrading. Adaptability in the form of management and staff development needs to be fostered and nurtured by appropriate encouragement and supports. It will also be important to develop further enterprise-led training processes and solutions to respond to the human resource competitive challenge. For the individual, upgrading of skills improves future employability in the face of possible threats to a particular sector or sectors.

The pervasiveness of the Information Society places particular emphasis on the need for individuals of all ages to have a basic IT literacy and for all sectors of the economy to adapt to the particular skills required.

Shortages in certain skills require an emphasis both on the need to train and re-train the existing workforce as well as to look outside the country for available supply of certain skills and to assimilate non-nationals into the workforce.

In the area of organisational flexibility, there is a necessity to examine issues such as new forms of work organisation, complemented by imaginative reward and recognition systems. The development of appropriate measures to create a family-friendly workplace is important to underpinning adaptability and flexibility at the level of the firm. In order to be effective, such measures must both enhance the opportunity to reconcile work and family life and contribute to the effective and efficient operation of the enterprise. The development of an accessible, affordable, quality childcare infrastructure is critical to supporting the reconciliation of work and family life.

Experience to date of the partnership approach at the organisation level in Ireland demonstrates its benefits. These include a growing and shared understanding of organisational goals and challenges, the need for and purpose of change, the importance of training and development for both individuals and teams, and the necessity for an open, participative approach to addressing the business and work needs of the organisation.

2.4 Equality

In the first instance Government has placed emphasis on putting the proper legislative and institutional framework in place to underpin long-term development of the equality strategy.

The achievement of equal opportunities between men and women is one of the horizontal objectives of the National Development Plan 2000-2006. A strategy of gender mainstreaming has been adopted to meet this objective including the incorporation of gender

equality in project selection criteria, gender dis-aggregated outcomes and gender balance on Monitoring Committees. The Plan states that the mandate from the Commission for mainstreaming equal opportunities to be introduced into all Structural Funds programming will involve both efforts to promote equality and specific measures to help women and the mobilisation of all general policies by actively and openly taking into account at the planning stage their possible effects on the respective situation of women and men.

There is a role for equal opportunities policies and practices to be developed, on a voluntary basis, at enterprise level by agreement between employers and unions including on issues such as equality and positive action programmes and harassment.

The development of appropriate measures to assist in reconciling work and family life is relevant to both gender and labour market fields due to factors such as:

- The emergence of a tightening labour market and the importance of developing innovative ways of maximising the available labour supply;
- The importance of facilitating equality of opportunity for men and women in the workplace.

Specifically childcare provision is important in enhancing opportunities and removing the disincentive to participation in employment.

There has been considerable emphasis on the need to improve women's access to the labour market including the use of taxation policy as a tool in this regard. Many current active labour market programmes and future measures envisaged in the National Development Plan have a clear objective of increasing female participation and encouraging women returners as a means of boosting labour supply.

SECTION 3

Main 1999 Outcomes and Activities

3.1 Employability

Preventive Strategy (Guidelines 1 & 2)

Systematic engagement with under-25s as they cross six months of unemployment, which commenced in September 1998, continued in 1999. This preventive approach was extended with its roll-out to 25-34 year olds, as they crossed 12 months of unemployment, in May 1999. In addition, systematic engagement was extended to young unemployed, as they crossed 18 months of unemployment, with effect from March 1999. A similar pro-active referral process was extended to all persons (i.e. stocks and flows) more than six months registered unemployed in two specific locations in the State – Ballyfermot, Dublin and Kilkenny.

Monthly progress reports on the outcomes achieved from the referral process are compiled, published and disseminated widely (<http://www.entemp.ie/lfd/month.htm>). A summary of the outcomes is reproduced in the Table No. 1 under.

Table 1: Summary of Numbers Referred to December 1999

	<i>Column 1</i>	<i>Column 2⁶</i>	<i>Column 3⁷</i>
Age Category & Duration of Unemployment	Numbers Referred	Proportion of those who left Live Register by end January '00	Proportion of those at Column 2 who left for known Positive Reasons
<u>Under 25: 6 months unemployed</u>			
All Persons	16,389	82% (12,805)	62% (8,004)
Females	7467	81% (5757)	62%(3571)
Males	8922	83% (7048)	63% (4433)
<u>Under 25: 18 months unemployed</u>			
All Persons	5,313	73% (3,639)	54% (1,980)
Females	1867	74% (1305)	55% (722)
Males	3446	73% (2334)	54% (1258)
<u>25-34 yrs.: 12 months unemployed</u>			
All Persons	5,469	70% (3,692)	55% (2,053)
Females	3040	70% (2069)	53% (1097)
Males	2429	70% (1623)	59% (956)

A more detailed breakdown of the outcomes for all persons referred, as notified in the table above is contained in **Appendix 4 and 5**.

National Employment Service (Guidelines 1 to 3)

During 1999 the Government decided to put in place new organisational arrangements for the management, development and operation of the Employment Services. This is being done via the assimilation of the heretofore separate Local Employment Services (LES), with the

⁶ The Live Register "sign off" rates are not directly comparable between the three groups in the Table since, with different start dates, different time periods have elapsed in each case.

⁷ Positive reasons are: re-entering education, taking up FÁS training or gaining employment. In addition it is estimated that many who left for reasons unknown would also have become employed.

larger FÁS employment service so as to establish a more integrated, dual-stranded National Employment Service.

Active Labour Market Programmes (Guideline 3)

Labour market interventions in Ireland already exceed the benchmark target set in EU Employment Guideline No.3. The EU Commission and Council have acknowledged that Ireland along with six other Member States have exceeded the 1998 goal⁸ of 20% for participation of unemployed persons on labour market programmes (as a proportion of average numbers unemployed). Table No. 2 below, shows the indicative level and scale of programme provision for 1999.

Table 2: Indicative Labour Market Programmes Provision in 1999.

FÁS Training of Persons from Live Register	12,959	Monthly average unemployment, 1999 (LR)	
	193,233		
Community Employment	38,927	ALMP as % of LR	49.6%
Back to Work Allowance	31,931		
Back to Work Enterprise Allowance	5,681	Unemployed per QNHS 4 th Qtr '99	88,700
Vocational Training Opportunities Scheme	5,169	ALMP'S as % of QNHS	108%
Tourism Training for Unemployed	1,178		
TOTAL	95,845		

Specific adjustments, in 1999, in the orientation of labour market provision have been as follows:

- The new emphasis on policy in Ireland has been on increasing the participation of long-term unemployed people on FÁS skills training programmes from a level of 11% in 1998 to 20% by end 1999. A participation rate of 22% has been achieved in 1999.
- The Government, in July 1999, approved a restructuring of Community Employment, one of the largest labour market programmes. The objective is reduce the numbers within the context of further concentrating the Programme on the long term unemployed and disadvantaged groups as well as increasing the training component.
- Long term unemployed accounted for 55% of all new starts on FÁS programmes in 1999.

Taxation (Guideline 4)

The implementation of a tax credit system, in April 1999, with the standard rating of the basic single and married allowances and the PAYE allowance, represented a fundamental reform of the tax system. Persons earning less than €127 (£110) per week were removed from the tax net.

Promoting Employability Opportunities (Guidelines 5&6)

National Qualifications (Education and Training) Act 1999

The legislation to establish a National Qualifications Authority was enacted in July 1999. The Act provides for the setting up of the National Qualifications Authority to establish and maintain a framework of qualifications, to act as the overall guarantor of the quality of awards and to facilitate and promote access, transfer and progression. An Implementation Group was established in 1999 to progress the work of setting up the new structures.

⁸ European Union, Joint Employment Report, 1999, p30.

Adult Literacy

From a base of €1.08m (£0.85m) in 1997, funding for adult literacy has increased to €7.24m (£5.7m.) by the end of 1999, catering for 10,000 clients by the end of that year. The funds in 1999 focussed on the promotion of public awareness and on outreach strategies to target those most in need. Referral Networks were established on an area basis to promote awareness of the adult literacy training service, to provide a structured mechanism for the identification of area needs and the referral of those in need to the service.

White Paper on Adult Education

Work proceeded in 1999 on the preparation of a White Paper on Adult Education, as a follow-up to the Green Paper on Adult Education entitled “*Adult Education in an Era of Lifelong Learning*” which was published in November 1998. A National Forum on Adult Learning was held in September 1999, finalising the consultative phase. Work on the White Paper is nearing completion with a view to publication in Summer 2000.

School to Work (Guidelines 7&8)

Early School Leavers

The issue of early school leaving continues to give rise for some concern. Table 3 below shows the latest figures available⁹ for early school leavers as follows:

Table 3. Early School Leavers

Year of Survey	Leavers with no qualifications	Leavers with Group/Junior Cert but no Leaving Cert
1994	3300 (4.9%)	10700 (15.8%)
1995	2200 (3.3%)	10,000 (14.8%)
1996	2700 (4.0%)	10,400 (15.2%)
1997	2200 (3.2%)	10,800 (15.7%)

The continuing development of Youthreach was facilitated by the introduction of Level 1 certification, made available nationally for the first time in 1999 by the NCVA. This ensures that there is a continuous progression route for adults and young people who have left school early which enables them to progress to Post-Leaving Certificate (PLC) courses and from there to third level.

In June 1999, the Post - Primary Retention Initiative was established. It is aimed at retaining pupils in school to completion of the Leaving Certificate. A total of €7m (£5.52m) was set aside for this initiative, under which funding is granted to schools on the basis of a multi-annual written retention plan or agreement drawn up between the school and the Department of Education and Science.

IT in Schools

Each target of the 3-year **IT2000 Programme** (launched in 1997) was met after only two years. By November 1999, there were 60,000 computers in Irish schools, each school had been given an Internet connection, cutting-edge pilot projects were underway, 40,000 teacher training places had been filled, ICT training was included in pre-service training, flexible learning/certification options had been implemented, the National Centre for Technology in Education had been established, a Network of IT Advisers was in place and the advanced *Scoilnet* website was launched.

⁹ ESRI, Dept. of Enterprise, Trade & Employment & Dept. of Education & Science - 'Annual School Leavers' Survey', December 1999.

Integration (Guideline 9)

People with Disabilities

Work continued on the transfer of responsibility for employment and training for people with disabilities to the Department of Enterprise, Trade and Employment and FÁS. The new strategies are beginning to be implemented in 2000. (See Section 4.1)

Prisoners

The Department of Justice, Equality and Law Reform through the Prisons and Probation Services conducted development work during 1998/1999, in collaboration with the National Training and Development Institute of the REHAB Group. An integrated programme to combat crime through offender rehabilitation has been provided for in the National Development Plan, 2000-2006. The programme will address the needs of individuals caught up in crime, central to which is the goal of employability, since obtaining suitable employment is a key aspect of rehabilitation for offenders.

Travelling Community

An additional 10 visiting teachers for travellers were appointed, bringing the total to 30 from September 1999. The 1999 Budget included provision of €380,921 (£300,000) over 2 years to increase the number of Travellers benefiting from second level education.

3.2 Entrepreneurship

Competitiveness (Guidelines 10/11)

The Annual Competitiveness Report is based on objective and factual, internationally comparable data drawn from authoritative international sources such as the OECD and Eurostat. The Annual Competitiveness Report complements the findings of its international counterparts such as the World Economic Forum's Global Competitiveness Report and the Institute of Management Development's World Competitiveness Yearbook. According to these studies Ireland moved up between 11 and 15 places in the international league table of national competitiveness between 1996 and 1999 to rank 7th overall.

Indigenous Industry (Guideline 10/11)

In 1999 companies supported by Enterprise Ireland recorded sales of €23 billion, (£18 billion) an increase of 6.3%. During the year, more than 14,000 new jobs were created with over 50% of these located in regions outside the East Coast. Net employment for the year increased by over 4,000, including part time positions. There was a 30% increase in Enterprise Ireland support for companies performing R&D activities.

County Enterprise Boards (Guidelines 10/11)

Thirty-five City and County Enterprise Boards provide support for small business with ten employees or fewer. The function of the Boards is to develop indigenous enterprise potential and to stimulate activity at local level. In 1999, the Enterprise Boards supported the creation of some 4,500 jobs, compared to 3,500 in 1998.

Investment in R + D (Guidelines 12/13)

In aggregate terms, R&D activity in industry continued to grow between 1995 and 1997 (latest available figures). Total business expenditure on R&D in 1997 was €679 million, (IR£535 million), or 1.1% of GDP. This places Ireland in 11th place out of 26 OECD countries and brings the country on a par with the European average. Government allocations to scientific and technological activities amounted to €1,183 million, (IR£932

million), in 1999, an increase of €9.0 million, (IR£46.5 million), or 5.2% above the 1998 level.

Employment in Services Sector (Guidelines 12/13)

Employment in the Services sector has grown to just over 1 million by the end of 1999, an expansion of 42% since 1994. Services accounted for 73% of the overall growth of persons in employment during the period. (See Section 5.2 for more detail)

Social Economy (Guidelines 12/13)

In July 1999 the Government approved the introduction of a Social Economy Programme. The National Monitoring Committee for the Programme has approved the operating framework and resources have been made available to FÁS to develop the Programme over 1999/2000.

Local Development Partnerships (Guidelines 12/13)

The local development programmes under the Operational Programme for Local Urban and Rural Development made significant progress in combating disadvantage and social exclusion resulting from long-term unemployment, poor educational attainment and poverty. Achievements in 1999 include over 30,000 people assisted to obtain employment or to set themselves up in employment and some 56,000 young people assisted under the Preventative Education Measure.

Corporation Tax (Guideline 14)

In Budget 1999 the standard Corporation Tax rate was reduced from 32% to 28%, a move designed to enhance the growth environment by better rewarding entrepreneurial efforts.

3.3 Adaptability

Employment Trends (Guideline 15 & 16)

Table 4 below shows the increases in full and part-time employment during 1999 broken down by gender.

Table 4: Employment in Full and Part-Time Jobs 1998/1999

	1998 total	Male	Female	1999 Total	Male	Female
Total	1544.7	928.4	616.3	1647.4	977.5	669.9
Full-time	1295.5	863.1	432.4	1377.5	908.5	469.0
Part-time	249.2	65.3	183.8	269.9	69.1	200.8

Electronic Business (Guideline 15)

The e business initiative launched by Enterprise Ireland in October 1999 is in full flow. The main elements of the initiative are

- To promote an awareness and understanding of the significance and business implications of eCommerce and eBusiness.
- To assist clients, especially those in the traditional industry sectors in developing an appropriate Internet strategy and presence.
- To generate a stream of Internet related investment projects from the software and high tech sectors.

Employment Legislation (Guideline 16)

The EU Directive on Fixed Term Work was concluded in June 1999. A Tripartite Working Group of employers, trades unions and government will examine the measures necessary

to implement this directive.

The Whistle Blowers Protection Bill, which was introduced in 1999, will provide protection from civil liability to employees who make disclosures “reasonably and in good faith” in relation to the conduct of their employers.

Expert Group on Future Skills Needs (Guideline 17)

The first report of the Expert Group on Future Skills Needs recommended the provision of 5,400 extra High Technology Places in Universities and Institutes of Technology (2400 technician places and 3000 degree places) over the 2000-2002 period, predominantly in the engineering and computer hardware and software areas. In response, provision in the Institutes of Technology in this area increased by an estimated 2000 places in 1999/2000 including 1000 Accelerated Technician courses. In addition, summer courses in IT were provided for 400 participants, under-graduate technology programmes in the universities increased by an estimated 1000 places and some 1400 non-IT university graduates received one year’s post-graduate training in IT. Funding was also allocated to FÁS for an additional 730 training places in information technology skills.

In- company Training (Guideline 17)

A survey carried out by the Irish Business and Employers Confederation (IBEC) indicates that expenditure on training by the business sector is higher than previously thought. The survey covered over 1,292 firms and almost 200,000 employees and suggests that expenditure is of the order of 3% of payroll. The survey also found that there are not major differences in expenditure between large and small firms.

Training Networks (Guideline 17)

The Training Networks Programme was launched in June 1999. The Programme was established to provide an enterprise-led response to the training needs of companies and is administered by *Skillnets Ltd.*, which has an enterprise-led Board. 185 applications were received from the first call for proposals and 39 projects were approved for funding in 1999 to operate or develop training networks. These projects have the potential to involve up to 7,000 companies in training networks.

Apprentices/ Trainee Numbers (Guideline 17)

At the end of 1999, 21,029 apprentices were registered with FÁS, an increase of 4,046 (24%) on the number registered at the end of 1998.

The participation level for the FÁS Traineeship Programme in 1999 was in excess of 1900 against a target of 1600, with a job placement level of 77%.

Educational Attainment Level of the Labour Force (G17)

The Irish labour force has become significantly more qualified over the last decade and will continue to do so. Improving the future quality of the labour force by raising the educational and technical qualifications of new labour market entrants and adapting, augmenting and refining the skills and capacities of those already at work will enhance the pace of labour supply growth. In relation to qualifications, recent research by the ESRI has shown significant changes in the educational profile of the Irish labour force forward into the next decade. On average, in the first half of the 1990’s, over 20% of the labour force had reached only a primary level of education and just over 20% had completed third-level education. By the years 2006-2010, more than 90% of the labour force will have reached Junior Certificate level or better and over 70% will have achieved at least a Leaving Certificate level, with well over one-third achieving third-level education. **Appendix 6** provides an educational attainment profile of the labour force, by gender, as

at April 1999.

3.4 Equality

Action on strengthening equal opportunities for women and men was undertaken on various fronts in 1999.

Gender Mainstreaming (Guideline 18)

Preparatory work commenced in 1999, by the Department of Justice, Equality and Law Reform, with the aid of EU technical assistance in support of gender mainstreaming, including:

- the organisation of a conference on gender mainstreaming and the Structural Funds in March 1999.
- the recruitment of a gender expert with effect from 1 December, 1999;
- the placing of a contract for gender dis-aggregated statistics across the new National Development Plan 2000-2006;
- training for policy makers commenced in February 2000;
- supporting a project for the development of a gender mainstreaming manual for the local development element of the National Development Plan.

The Department of Justice, Equality and Law Reform published *Gender Proofing and the Structural Funds; Outline Guidelines* in July, 1999. The report includes a model of gender impact assessment guidelines. The model proposed in the report formed the basis of common gender impact assessment guidelines which were approved by Government, in March 2000, for use across the National Development Plan.

Equality Infrastructure (Guideline 18)

The Employment Equality Act was implemented in 1999. It outlaws discrimination in access to, and conditions of employment, as well as discrimination in relation to vocational training, employment services, collective agreements and advertising. Both public and private sectors are covered, as well as full-time and part-time workers. The Equality Authority also came into being during 1999, replacing the Employment Equality Agency. Its aims are to work towards the elimination of discrimination on grounds of gender, marital status, family status, sexual orientation, religious belief, age, disability, race and membership of the Travelling community in relation to all aspects of employment, and to promote equality of opportunity.

The Employment Equality Act, 1998 contains a number of new provisions in relation to gender including an extension of the legislation to cover discrimination on grounds of family status and a specific provision that an employee can select as a comparator for equal pay purposes an employee who worked with the same or an associated employer during the previous or following three years. The equal pay provisions have also been broadened by the removal of the requirement that the comparator be employed in the same place as the claimant. The Act provides for the resolution of disputes by means of mediation where appropriate and for the enforcement of mediated settlements. The Equality Authority is given new powers to carry out equality reviews and devise action plans which will ensure the development of a pro-active equality conscious approach to equal opportunities in the workplace.

Equal Participation in the Labour Market (Guideline 19)

The increases in recent years have brought Ireland's female labour force participation rates close to EU levels. In 1997, 42% of females were in the labour force in Ireland, compared with 45.6% in the EU-15. In Quarter Two of 1998, the corresponding figures were 44% for Ireland and 46% for the EU-15; and Ireland's rate has advanced further since then to 46% by

Qtr. 2 1999 and 47.1% by Qtr. 4,1999.

Female Participation on ALMPs (Guideline 19)

In 1999, a total of 50,278 women started FÁS programmes, accounting for 48.5% of all starters. Female participation on the Back to Work Allowance scheme was 5,646, or 15%, of all participants.

Childcare (Guideline 20)

In 1999 the Department of Education & Science operated a Childcare Measure designed to support access of parents to VTOS, Youthreach and Traveller Centre programmes for unemployed adults and early school leavers. Some 420 children (346 parents) are benefiting from the measure at present. In a complementary initiative, limited childcare funding has also been provided as part of its expansion of adult literacy services. In addition some 1,100 PLC students are pursuing childcare courses during the current year 1999/2000.

A “Term-Time” initiative, through which parents in certain Government Departments can take extended leave during the summer school break, is currently being piloted.

The Equal Opportunities Childcare Programme (1998/1999) has a budget of £11m for the two year period 1998 and 1999. This budget comprised EU and Exchequer funding and was in two phases:

- Funding of £6m was provided under the following three initiatives - Capital Infrastructure grants for the establishment, upgrading and enhancement of community childcare projects which facilitate women and men to avail of employment, education and training opportunities; Community Support grants to meet the expenditure required for two full-time senior childcare workers in 25 community childcare projects; and an Employer Demonstration Initiative developed in partnership with IBEC to stimulate employer interest and involvement in supporting the development of childcare services for their employees.
- Additional funding was secured from the European Social Fund to enhance the Equal Opportunities Childcare Programme which along with Exchequer funding increased the budget by a further £5 million. The funding was provided for a range of training and development initiatives including: developing and expanding the services of the National Voluntary Childcare Organisations; providing training grants for community childcare projects supported under the programme; and once-off grants to Partnerships and community groups to develop their capacity building skills.

The Department has also developed a National Childcare Census and Database and commissioned ADM Ltd (the managing authority for Local Area Partnerships) to produce information on a county basis on the range and extent of childcare services provision in group-based settings. This project is part funded by the EU and county reports will be published in spring, 2000.

The Finance ACT, 1999 provided for the granting of a capital allowance in respect of expenditure on the construction, refurbishment or conversion of childcare premises which meet the required standards as set out in the Child Care Act, 1991. The allowance is available for expenditure incurred on or after 2 December 1998. The allowance is granted at a rate of 15% per annum for the first 6 years and 10% in year 7 of the capital expenditure incurred. An enhanced measure was introduced in Budget 2000 which provides for the acceleration of the above allowance to 100% in year 1. This new allowance will come into operation following clearance by the European Commission.

Women's Access to the Labour Market (Guideline 21)

The report on Women's Access to the Labour Market was finalised in 1999. This report contains 41 recommendations to enable women achieve greater equality in access to the labour market. Some of the main findings include:

- Inadequacy or lack of affordable childcare is a significant barrier to access;
- The structural design (i.e. timetabling) and location of training and education courses are key issues in female participation levels;
- Lack of recognition of the value of education and experience acquired outside of the formal mainstream training and education systems.

SECTION 4

Actions Planned for 2000

This Section sets out the actions and initiatives planned for 2000 and beyond which are in the main derived from those policies described under the four Pillars, in Section 2 above. It also draws heavily from the Programme for Prosperity and Fairness, the recently agreed social partnership agreement for the period 2000-2002. In particular the social partners have agreed a framework in relation to the need for Ireland to successfully adapt to continuing change embracing policies in the fields of Lifelong Learning, the Labour Market, the Information Society, Childcare and Family-Friendly policies. For full details of policies and initiatives planned the reader should consult the text of Programme for Prosperity and Fairness. (<http://www.irlgov.ie/taoiseach/>)

4.1 Employability

Roll out of Preventative Strategy (Guidelines 1& 2)

The rollout of the preventative strategy notified under Section 3.1 above was extended to adult unemployed in the age range 35 to 54 years, in February 2000. It will be extended to the remaining groups of adult unemployed in 2000. As the process is being rolled-out to all adult age groups, systematic engagement will commence at an earlier stage in the unemployment spell - as they cross 9 months of unemployment which is planned to commence from mid-2000.

In addition, the pro-active approach to engagement with all unemployed (flows and stocks) who are 6 months unemployed will be rolled out to other locations, during 2000.

Impact Study (Guidelines 1 &2)

A large-scale evaluation of the impact of the preventive strategy under the Employment Action Plan is due to commence in 2000. Special attention will be given to the range and quality of interventions available to meet the needs of those concerned, including clients who are deemed “not progression ready”.

Employment Service (Guidelines 1 to 3)

The role of the employment service has expanded and changed in recent years particularly in the context of the shift from large-scale unemployment to labour shortage and the introduction of the preventative strategy under the employment guidelines. The Local Employment Service will be integrated within the National Employment Service and combined with a more active engagement process with clients the prospects of progression by the unemployed into market employment will be improved.

Employability Study (Guidelines 1 to 3)

With the continuing fall in registered unemployed, there is increasing awareness of the problems faced by people with the greatest difficulties securing employment. The Dept of Social, Community and Family Affairs have engaged consultants to conduct research into “employability” and its relevance for the Live Register.

FÁS Action Plan for the Long-Term Unemployed (Guideline 3)

The target of increased participation by long-term unemployed on skills training programmes, under the FÁS Action Plan for the LTU, has been increased from 20% in 1999, to 25% in 2000.

Active Labour Market Programmes - ALMPs (Guideline 3)

As specified in the Programme for Prosperity and Fairness, in broad terms, spending on ALMPs will shift to training in order to better reflect market and individual needs. An Overall Appraisal of ALMPs will be undertaken the aims of which will include:

- to ensure that they contribute to national competitiveness by increasing labour supply, through the integration of unemployed persons into the labour market;
- to re-orient ALMPs so that the collective focus will be on the needs of disadvantaged with the aim of progression onto the open labour market;
- to shift the emphasis towards training and progression.

Back to Work Allowance Scheme (Guideline 3)

Special Measures aimed at those more than five years on the Live Register will be introduced in April 2000. An independent evaluation of the scheme has been carried out and will form the basis for future developments.

Tax and Benefits (Guidelines 3/4)

The following measures are aimed at improving the incentive to work.

- lowering of personal taxation combined with agreed pay increases over the lifetime of the new Partnership Agreement;
- removal of more lower paid workers from the tax net;
- completion of the move to a tax credit system and the changes to the PSRI and Health Levy Thresholds announced in the Social Welfare Act 2000 and
- the introduction of a national minimum wage.

Personal Tax

Budget 2000 reduced both the standard rate and higher rate of tax by 2% (to 22% and 44% respectively) and widened tax bands considerably. This means that those on the average industrial wage will no longer pay tax at the higher rate. Nearly 50,000 taxpayers on low income will be removed from the tax net and 125,000 taxpayers will be removed from the top rate of tax. In accordance with the commitments made in the Programme for Government, progress will be made in reducing tax rates to 20% (standard) and 42% (higher) in future budgets.

Tax Credits

As part of Budget 2000 it was announced that a full tax credit system is to be in place for the income tax year commencing 6 April 2001. In the context of the Programme for Prosperity and Fairness the Government and the Social Partners have agreed to set up a special working group to examine the role which refundable tax credits can play in the tax and welfare systems.

Individualisation of the Tax System

In Budget 2000, provision was made for individualisation of the standard rate tax band. A significant problem with the previous standard rate band arrangements was that single people became liable for the top rate tax at incomes less than the industrial average wage. This new band structure implemented with effect from April 2000 will improve the position of single taxpayers on middle incomes, married couples where both spouses are working and increase the incentive to work, particularly for married women who wish to return to work. (see Section 5.1).

National Minimum Wage

The national Minimum Wage was introduced in April 2000. It applies, with some exceptions, to the generality of employees whether they are full-time, part-time, temporary or contract

workers. The national minimum hourly rate of pay is €5.86, (£4.40), to all experienced adult employees. Hourly rates of pay of lesser amounts than £4.40 may be paid to certain categories of employees – persons under the age of 18, to first-time entrants or to those engaged in training or study.

Information Society (Guidelines 6 and 8)

There will be increased investment, to provide a phased roll-out of community-based access to the Information Society, having particular regard to the Partnership Areas and the recommendations arising from the Information Society Commission's examination of *IT Access for All*. Resources will be dedicated to further develop the Schools *IT 2000 Programme* and related initiatives, with the objective of ensuring that all pupils have access to ICT facilities in keeping with their educational needs. The target is to reach an integration level of at least 8:1 at primary level, and 5:1 at second level, on a phased basis. Within the Back to Education Initiative provision will be made for an Adult Basic ICT Skills programme. In line with the recommendations of the Lisbon Summit, over the next 3 years:

- Every classroom will be connected to the Internet with high-speed access.
- The ratio of computers to pupils will be significantly reduced.
- Teachers will have available the most comprehensive on-going training programme in the world.
- Technology will be used to implement the most advanced curriculum support programme in the world.

Lifelong Learning and Transition from School to Work (Guidelines 5/6 & 7/8)

The new social partnership agreement sets out a broad agenda to inculcate a culture of lifelong learning throughout and beyond the education system and both within and outside the workforce, including the following:

Strategic Framework for Lifelong Learning

A Strategic Framework for Lifelong Learning will be developed through publication of a White Paper on Adult Education by Summer 2000 and the implementation of the complementary Task Force on Life Long Learning described in Section 4.3 (guideline 17). The White Paper will provide for the establishment of a National Adult Learning Council on a statutory basis.

Early School Leaving Strategy

The strategy will include a range of actions at second level including the establishment of a National Educational Welfare Service and the implementation of the integrated plan to tackle educational disadvantage.

Education Welfare Board

The Education (Welfare) Bill provides for the registration with the Educational Welfare Board of young people aged between 16 and 18 years who intend to leave school early. The Board will draw up a plan for the further education and training of the individual in question. It will not be possible for a young person aged between 16 and 18 years to be employed without a certificate provided by the Board.

Back-to-Education Initiative

A major expansion of provision of educational courses for young people and adults will be implemented through a Back-to-Education Initiative within the Further Education Sector. This will be achieved through a major expansion of part-time options under VTOS, Youthreach and the PLC programmes.

Adult Guidance Service

Based on the experience of the pilot Educational Adult Guidance Service, a national programme will be implemented on a phased basis with co-ordinated linkages to the employment services, including the guidance, counselling and psychological measure for early school leavers in Youthreach, Community Training Workshops and Senior Traveller Training Centres.

National Adult Literacy Agency

There will be a rapid expansion of adult literacy services. Over the period of the social partnership agreement (2000-2002), investment in the adult literacy service will total €38.09m (£30m), compared with a base provision of €7.24m (£5.7m), in 1999.

Post-Second Level Participation, including by Mature Students

Investment will be sustained and enhanced so that Ireland is well within the top quarter of OECD countries in terms of the participation of the population in post second level education and training, and in the quality of that education and training. Participation by disadvantaged groups in third level education will be encouraged through the provision of significant additional investment. Colleges will aim to provide that, by 2005, 15% of intake each year will comprise students aged 23 or over.

Progression Pathways and Accreditation

Work will be progressed speedily to implement the Qualifications (Education and Training) Act. A key goal will be to ensure the development of appropriate structured pathways between education and training that will provide for systematic progression to higher levels of qualification.

Integration (Guideline 9)

People with Disabilities

The integration of people with disabilities into the open labour market is a major objective of the Department of Enterprise, Trade and Employment, from the perspectives of both social inclusion and labour supply. The National Rehabilitation Board's employment and vocational training services for people with disabilities will transfer to FÁS in 2000, following the completion of a detailed and complex planning process. The Department of Enterprise, Trade and Employment has developed a series of strategies aimed at the integration of people with disabilities into the labour market. These strategies will begin to be implemented in 2000 in collaboration with FÁS, the social partners and other relevant organisations. The strategies will feature an increased emphasis on progression from training to employment, funding of social partners initiatives to promote the employment of people with disabilities, increased funding for the Employment Support Scheme and the Workplace/Equipment Adaptation Grant, new grants to companies for disability awareness training programmes, grants to employers to train or re-train employees who acquire a disability, and the introduction of a National Supported Employment Programme which was announced in Budget 2000.

Every Department will take appropriate action to ensure that agencies under its aegis achieve the 3% target for the employment of people with disabilities in the Public Service at an early date. A review of the employment of people with disabilities in the civil service will be undertaken to ascertain the ongoing adherence to the 3% employment quota.

Travellers

The enactment of the Equal Status Bill, together with the Employment Equality Act, 1998, will give Travellers statutory protection against discrimination. A progress report on the recommendations of the Task Force on the Travelling Community is currently being drawn up and will inform policy and activity in relation to Travellers. The recommendations relating

to economic activities will be addressed by the DETE which has appointed a liaison officer for the purpose.

Refugees

The Refugee Act, 1996, will be implemented, including the appointments of the Refugee Applications Commissioner and the Chairperson of the Refugee Appeals Tribunal, as well as the establishment of a Refugee Advisory Board. A comprehensive strategy for the integration of refugees, including employment and training issues, will be developed as quickly as possible.

Racism

In view of the growing number of non-nationals finding employment in Ireland, preventing racism in the workplace is of growing importance. Building on the IBEC/ICTU (representatives bodies of employers and trade unions respectively) code of practice against racism in the workplace, specific measures will be developed by IBEC and ICTU in conjunction with the Department of Justice, Equality & Law Reform and the Equality Authority as appropriate.

Standing Committee on the Labour Market

On the basis of a report by the DETE by end May 2000, the Standing Committee on the Labour Market will examine, identify and develop appropriate supports to meet the needs of those people who because of age, literacy or other barriers are unlikely to succeed in getting and keeping a job in the open market.

Spatial Concentrations of Unemployment

An Interdepartmental Committee will be established to develop integrated measures (based on the National Development Plan 2000-2006) to tackle in particular spatial concentrations of unemployment, poverty and social exclusion in the 25 most deprived communities. The Committee will make recommendations to the Government by December 2000.

Drugs Misusers

As the number of drugs misusers taking treatment increases, the requirement to provide training and employment opportunities will also increase. In the context of the review of the National Drugs Strategy, workplace initiatives dealing with drug misuse will be considered.

4.2 Entrepreneurship

Essential ingredients for providing a positive and stable environment in which entrepreneurship can flourish are, the macro-economic environment, national-level competitiveness and industrial peace and stability.

Macroeconomic Stability (Guideline 10)

Sustaining economic advance will require continued observance of the following key principles (among others) in order to maintain the competitiveness of the economy and both domestic and external confidence in its potential for growth:

- conduct fiscal policy in a fashion which is consistent with economic stability, in particular low inflation, and which will fully adhere to the spirit of the Stability and Growth Pact;
- conduct tax and expenditure policies in a fashion that ensures that initiatives undertaken will be sustainable into the longer term;

- prioritisation of public capital investment in order to overcome emerging infrastructure deficiencies and bottlenecks which otherwise have the potential to undermine the economic growth envisaged;

Competitiveness (Guideline 10)

Competitiveness priorities to be addressed will include:

- the development of the Information Society, the promotion of Lifelong Learning, deepening of Research and Development and developing World Class research excellence through Technology Foresight, streamlining of the planning process, and institutional reform;
- the development of the capabilities of indigenous enterprise through the use of measures such as Benchmarking Best Practice and World Class Business techniques;
- continuance of the wide-ranging process of regulatory and competition reform. The recent programme 'Reducing Red Tape: An Action Programme of Regulatory Reform in Ireland' will be implemented. An OECD Country Study on Regulatory Reform will be completed by end 2000;
- the Government will publish a discussion paper on Governance and Accountability in the Regulatory Process;
- an essential dimension to deepening competitiveness throughout all areas of the national endeavour will be ongoing development of the process of modernisation throughout the public service; and
- sustained improvement in Ireland's international competitiveness rankings, having particular regard to the recommendations of the National Competitiveness Council.

Industrial Peace and Stabilisation (Guideline 10)

Under the new Partnership agreement, employers and trades unions agreed that no cost-increasing claims by trades unions or employees for improvements in pay or conditions of employment other than those provided for, will be made or processed during the currency of the agreement and strikes or other forms of industrial action in respect of matters covered by the agreement are precluded where the party is acting in accordance with the agreement. Employers, trades unions and employees are committed to promoting industrial harmony.

Small Business (Guidelines 10&11)

Under the Programme for Prosperity and Fairness it has been agreed that

- Supports will be provided for training, the promotion of ICTs and eCommerce, marketing support, regional networks and development of the Seed and Venture Capital Industry
- A market development strategy will be developed by the Government, particularly in the areas of teleworking, e-commerce and languages
- Particular attention will be paid to assisting companies that strive for enduring competitive advantage through the utilisation of ICTs, skills development and innovation
- Continued emphasis will be placed on improving the supply and lowering the cost of finance to start-up and growing businesses, particularly through promotion of a vibrant venture capital market for the high tech sector
- "Start-your-own-business" supports for women, the long term unemployed and marginalised groups will be developed through collaboration between State agencies, local development bodies and social partners.

New Technologies (Guideline 12)

Technology Foresight

The Government has launched a €711 m (£560 million) Technology Foresight Fund to invest over the period 2000-2006 in world-class research in niches within biotechnology and ICTs. This investment will increase Ireland's research capability in technological sectors that are vital to long term international competitiveness. The objective is to build new sources of competitive advantage for indigenous companies, to embed existing multinational companies and to ensure that Ireland becomes one of the world's premier locations for knowledge-based, high tech enterprise, both Irish and foreign owned. A dedicated Research Foundation is being established to manage and allocate funding.

New S&T programmes under the National Development Plan 2000-2006

Government has agreed substantially increased resources €2.47b (£1.95 billion) for research, technology and innovation programmes over the period. Of this sum, €1.52b (£1.2 billion) is being targeted at industrial development related S&T schemes, designed to increase in-company R&D, improve collaboration between the research and business sectors, improve the national research capability and strengthen regional innovation systems. Additional investment totaling €698.35m (£550m) is being provided in the NDP with the overall objective of (a) strengthening the research capability, including fundamental research, in the third level sector, in particular to meet the RTDI and skill needs of the economy and (b) strengthening the supports available to research students and to researchers in third level institutions in order to encourage students into careers as researchers.

Social Economy (Guideline 12)

An amount of €12.69m (£10 million) has been allocated to the dedicated Social Economy Programme in 2000 to enable it to commence funding projects. It is intended that expenditure will rise to £41million when the programme is fully operational.

Corporation Tax (Guideline 14)

In Budget 2000 the standard Corporation Tax rate was reduced from 28% to 24%. In addition, the Government brought forward the 12.5% corporation tax rate for small and medium sized enterprises whose total trading income, other than trading income taxable at the 10% or 25% rates, does not exceed € 63,486 (£50,000) for an accounting period. In line with the Government's overall objective of simplifying the tax system, certain existing tax reliefs are being curtailed as the reductions in the standard CT rate are being implemented.

4.3 Adaptability

Information Society (Guideline 15)

The development of a top class telecommunications infrastructure must be accompanied by low cost telecommunication charges driven by competition. The Government is actively pushing for low-cost Internet access for Irish businesses and consumers alike in order to dramatically increase Internet usage levels.

A legal regulatory and administrative framework will be established which will create a favourable and competitive environment for the development of electronic commerce and digital industries. A Bill to give legal effect to electronic signatures, writing and electronic contracts was published in March. It will give the same status to electronic signatures, electronic writing and electronic contracts as paper based counterparts and will also provide legal certainty for the conclusion of contracts electronically and the admissibility in court of electronic evidence in civil cases. It will underpin and give security to the new ways in which business is transacted over the Internet.

The Technology Foresight Fund, to be established in 2000, will have a focus on R&D in Information and Communications technologies.

The *County Enterprise Boards* are currently developing an eCommerce initiative for their client base, which will commence in early 2000. This initiative involves all 35 City and County Enterprise Boards in providing services and incentives which will increase the use of the Internet, email and eCommerce among small businesses in Ireland.

Family Friendly Policies (Guideline 15)

The Government and the Social Partners have agreed that a National Framework should be established to support family-friendly policies at the level of the enterprise. The focus of this activity will be to support and guide the voluntary development and implementation of family-friendly policies at the level of the enterprise, as a contribution to the effective and efficient operation of the enterprise. The objective will be to support and facilitate the development of family friendly policies, including for example: job-sharing, work-sharing, part-time work, flexitime, flexiplace / teleworking and term-time working. A National Framework Committee will be charged with the task of implementing this agreement.

Organisation of Work (Guideline 15)

The Bill to implement the EU Directive on Part-Time Work will be introduced by June 2000 and the Directive on Fixed-term Work will be implemented by July 2001. A Carers Leave Bill will be introduced later this year in conjunction with the Carer's Benefit scheme – this Bill will allow employees to leave their employment temporarily for a period up to 15 months to provide full-time care for older people or people with disabilities in need of full-time care and attention.

Ireland will be developed as a "telework friendly" location, including endorsement by the social partners of the Teleworking National Advisory Council's Code of Practice, as well as a review of the relevant fiscal and environmental structures. Government will introduce teleworking options into mainstream public service employment and, additionally, all publicly funded organisations will develop a teleworking policy for implementation by 2002.

Partnership at Firm Level (Guideline 15)

IBEC and ICTU have agreed on a list of topics as possible partnership initiatives at the level of the firm, in particular including

- Competitiveness, adaptability, flexibility and innovation
- Better systems of work organisation
- Training and personal development linked to lifelong learning
- Equality of opportunity and family-friendly working arrangements

IBEC and ICTU will work together to develop guidelines to assist companies in embarking and successfully putting in place partnership agreements. The National Centre for Partnership has an important role in this process. The Centre will work together with the relevant Government Departments and Agencies who have a role in the development of enterprise performance. The roles of other organisations in both the public and private sectors which contribute to partnership development will also be considered in this context, as will funding issues arising.

Lifelong learning (Guideline 17)

In the context of adaptation to continuing labour market change, the Department of

Enterprise, Trade and Employment has established a Lifelong Learning Task Force in conjunction with the Department of Education and Science. Key issues to be addressed by the Task Force will include:

- Supports, including information and advice, to assist people to identify learning opportunities appropriate to their needs and source suitable learning opportunities;
- Enhancement of access to education and training with particular emphasis on financial issues, such as fees and educational leave, and on measures to support the reconciliation of learning and family life;
- Increasing the diversity and flexibility of provision and promoting the responsiveness of education and training institutions to the needs of adults, with particular attention being given to those who are disadvantaged;
- The further development of linkages between firms and training and education institutions;
- Initiatives to significantly increase training, learning and progression opportunities for people faced with the challenge of rapid technological change, taking due account of the work of the Expert Group on Future Skills Needs; and
- Initiatives to help people currently outside the workforce to upgrade their skills and/or acquire new ones.

A key aim of the Task Force will be the development, as a matter of priority, of specific initiatives to upgrade the skills of workers in low paid sectors and those facing the challenge of rapid technological change.

National Training Fund (Guideline 17)

In Budget 2000, the Government announced the creation of a new National Training Fund. The fund will be resourced through a levy equivalent to 0.7% of employer's social insurance contributions. (see section 5.3)

Training Networks (Guideline 17)

The projects approved under the first call for proposals will implement actions to meet their training needs during 2000 and the result of these projects will begin to emerge in the second half of 2000. A second call for proposals was announced in February 2000 and further projects will be approved for development around mid-year. €5.07m (IR£4 million) has been allocated to the Programme for year 2000.

Apprenticeships and Traineeships (Guideline 17)

Apprentices

The numbers of persons entering apprenticeship in the twenty-five designated trades has practically doubled between 1995/6 and 1998/99, as has the total population in apprenticeship, which stood at over 21,000 at the end of 1999. Estimates by FÁS put the likely intake figure for the current year at 7,500 as compared to less than 7,000 for 1999.

Despite increased investment by FÁS and the Department of Education and Science, this unprecedented increase in intake has placed severe strains on the provision of training capacity. Under the Programme for Prosperity and Fairness, efforts will be intensified immediately to ensure that each apprentice will receive their statutory education/training rights on schedule and to clearing the existing backlog. Progress will be reviewed at end September 2000. In addition, a Special Task Team, representative of Government, Employers and ICTU, will be empowered to examine and bring forward proposals that will ensure that the future delivery requirements for apprenticeship training are met.

Traineeships

FÁS is continuing to actively engage with employers and other social partners to establish new National Steering Groups to review occupational profiles and training needs in each

sector and to agree National Traineeship Frameworks for specific occupations, particularly in areas of identified skill shortages. These frameworks will include new workplace training arrangements for key skill areas such as Business and Office Administration, Childcare Workers, Electronic and Mechanical Technicians and Construction Operatives.

Development of Indigenous Industry (Guideline 17)

State assistance will be refocused away from capacity expansion to upgrading enterprises in terms of employee and management skills, new forms of work organisation, research and innovation, marketing technology and design. Development of Irish owned businesses will be encouraged and supported through, inter alia, supporting in-company training to develop the skills of management and employees and supporting enterprise-led initiatives such as *Skillnets*.

Immigration (Guideline 17)

As part of a pro-active skills based immigration policy the Government decided, in March 2000 to introduce a working visa¹⁰ system for persons in certain occupational categories. At present Non-EEA¹¹ Nationals are required to have work permits issued to their employers in Ireland by the Department of Enterprise, Trade and Employment, before being admitted for employment. The new arrangements will apply in respect of selected occupational categories and are aimed at addressing skills and labour shortages in the information technology sector, the nursing profession and building professionals, which are in short supply.

4.4 Equality

Gender Mainstreaming (Guideline 18)

The gender mainstreaming approach adopted in the 1999 Employment Action Plan and in the National Development Plan will be developed further in 2000 through

- The provision by the Equal Opportunities (Gender Equality) Promotion and Monitoring Unit of the Department of Justice, Equality and Law Reform of technical support to implementing bodies including advise on indicators and on the completion of the Gender Impact Assessment forms. The Unit will develop a web site detailing its programme of work and providing guidance on gender mainstreaming.
- The provision by the Unit of expert inputs on monitoring data to the Equal Opportunities and Social Inclusion Co-ordinating Committee and to Monitoring Committees of the NDP.
- The development of a databank of gender disaggregated statistics for all areas across the NDP. The first phase of the databank being developed by the Department of Justice, Equality and Law Reform will be finalised by mid year. It is proposed to make the data generally available to all implementing bodies and to put the information on the Unit's web site. This work will be complemented by a research project which is being carried out by the Equality Authority on gender dis-aggregated statistics.
- The implementation of the budget of £23.2 million to the Department of Justice, Equality and Law Reform for a programme of positive action measures for women as provided for in the National Development Plan. The positive action programme will involve the Department of Justice, Equality and Law Reform working with the mainstream providers of education and training and organisations concerned with gender equality including the Equality Authority and the National Women's Council of Ireland to develop the following range of initiatives:

¹⁰ A "Working Visa" will apply in respect of qualifying applicants who are visa-required Nationals and a "Work Authorisation" (not a visa) will apply in respect of qualifying applicants from other non-EEA countries.

¹¹ Persons of countries other than EU countries, Iceland, Liechtenstein or Norway.

- measures to tackle vertical and horizontal gender segregation in the labour market;
- encouraging entrepreneurship and career development among women;
- support for gender balance in decision-making;
- development of employer family friendly projects and promotional measures to encourage greater sharing of family responsibilities;
- research and information campaign focused on women who are available to return to the workforce after a prolonged absence because of family responsibilities;
- innovative projects focused on disadvantaged women and in particular women aged over 50 years of age.
- The Department of Justice, Equality and Law Reform has also contracted for the development of mechanisms to monitor progress in achieving gender equality in Ireland. The successful tender was awarded to the Department of Government, at the University College Cork and is due for completion mid-year.
- The Department of Education and Science will establish a Gender Equality Unit.

The Council Directive 97/80/EC on the burden of proof in cases of discrimination based on sex, provides for a shift in the evidential burden of proof in EU based sex discrimination cases. The Directive also codifies existing European Court of Justice case law in relation to indirect discrimination. Ireland is required to transpose the Burden of Proof Directive into national law by 1 January, 2001. The Equal Status Bill, 1999 is expected to be enacted by May 2000. It will prohibit discrimination on nine grounds, including gender, in relation to the supply of goods and services.

Equal Opportunities at the Level of the Firm (Guideline 19)

The new Partnership agreement contains a framework for the development of equal opportunities policies at the level of the enterprise. A framework comprising government and social partners will be established to assist with implementation of the Employment Equality Act, 1998 and the promotion of equal opportunities in the workplace. The activities of this framework will be supported by a specific budget and will assist in the development and implementation on a voluntary basis of equal opportunity policies at enterprise level and provide encouragement, training, information and support to employers and employees/representatives. The positive action programme of the Department of Justice, Equality and Law Reform will fund initiatives under this Guideline. The initiatives will be developed in conjunction with mainstream providers of education and training and involve the social partners and women's groups.

Pay Differentials (Guideline 19)

A consultative group, chaired by the Department of Justice, Equality & Law Reform, and including the Department of Enterprise, Trade and Employment, and the social partners will consider the recommendations of the forthcoming ESRI Report on Male/Female Wage Differentials, to be published by mid-2000, including the case for a sectoral analysis in both the public and private sectors. The Group will also develop proposals for actions to address issues identified in the Report for consideration by Government.

Family-friendly Policies (Guideline 20)

Measures to promote greater sharing by men and women of the caring responsibilities carried out within the home for children and dependent family members will be developed. The National Framework agreed between IBEC/ICTU and the public sector employers underscores the importance of family friendly policies.

The Department of Justice, Equality and Law Reform has commenced the review of the Maternity Protection legislation. The Department will set up a Working Group, including the Social Partners with a view to completion of the review by September 2000.

An innovative project on developing family-friendly policies for Small and Medium Enterprises, funded under the Equal Opportunities Childcare Programme, is due to report in June, 2000.

Childcare Policies (Guideline 20)

Expenditure plans and organisational responsibilities including the involvement of Government Departments in the development of childcare services are outlined in Section 5.1. The Department of Justice, Equality and Law Reform will be introducing a range of measures designed to increase the number of childcare places available and to improve the quality of childcare provision in the country. The Equal Opportunities Childcare Programme will provide supports for the following initiatives:

- Capital Grants for community based/not for profit childcare facilities
- Staffing supports for community based/not for profit childcare facilities
- Supports for childcare training
- Supports for the development of local childcare networks
- Supports for the development of National Voluntary Childcare Organisations
- Capital Grant scheme for self-employed childcare providers catering for up to 20 childcare places
- Support for innovative projects in childcare provision

The regulatory framework, to ensure that childcare facilities are staffed and operated to acceptable standards, will be implemented.

The Government, following a process with the social partners, will adopt, before the end of 2000, an equitable strategy to support parents in meeting their childcare needs, for implementation in the period of this new social partnership agreement (2000-2002).

Labour Market Access (Guideline 21)

As agreed in the new social partnership agreement, the recommendations of the Report on Access by Women to the Labour Market (see Section 3.4) will be progressed without delay, particularly with a view to enhancing the employability of women returning to the labour market. The Women's Education Initiative will be expanded into an Education Equality Initiative catering for disadvantaged women and men, building on experience to date, to test innovative approaches and develop models of good practice in the field of education.

SECTION 5

Council Recommendations

5.1 Female Participation

“Ireland should adopt a comprehensive strategy to increase the participation of women in the labour market including the removal of tax-benefit disincentives, and putting in place measures which facilitate the reconciliation of work and family life. In particular, a sustained effort to raise the standards of care for children and other dependants and flexible leave schemes is called for.”

A range of policies and actions has been initiated in 1999 or is envisaged for the period of the National Development Plan 2000-2006. This Section gives an overview of the main features of the strategy - further details are contained in other relevant Sections.

Gender Mainstreaming

In the National Development Plan 2000-2006, a strategy of gender mainstreaming has been adopted to meet the objective of achieving equal opportunities between men and women. The Department of Justice, Equality and Law Reform will chair an Equal Opportunities and Social Inclusion Co-ordination Committee established under the NDP.

The Plan provides for funding to establish an Equal Opportunities Promotion and Monitoring Unit within the Department of Justice, Equality and Law Reform to support all implementing Departments and delivery agencies to meet the equal opportunity objective in their areas of responsibility. The Unit will have an advisory, information and training role in addition to monitoring, including advising on the development of appropriate indicators in support of gender mainstreaming across the NDP.

Individualisation of the Tax System

The introduction of individualisation of the standard rate tax band in Budget 2000 should increase the incentive to work, particularly for married women who wish to re-enter the work force. The tax band for two-income married couples will be set at double the new individual band. This is the first step in the process of individualising the tax bands.

Family Friendly Policies

The Government and the Social Partners are agreed that a National Framework for Family-Friendly Policies should be established to support actions at the level of the enterprise. The purpose of this National Framework will be to identify actions to be undertaken by the social partners at national level, which support the development of family-friendly policies in the workplace, and to support and guide the voluntary development and implementation of family-friendly policies at the level of the enterprise. More details are contained in Sections 4.3 and 4.4.

Childcare

In accordance with the National Development Plan, over the period 2000-2006, childcare facilities will be developed and expanded, including:

- capital grants for community based childcare facilities;
- grants towards staffing costs for community based childcare services; and
- supports to enhance the national voluntary childcare organisations.

A total of €317.4 million (£250m) has been provided for childcare over the period of the Plan.

A major package of initiatives to increase the supply of childcare places is being introduced during 2000, as announced in Budget 2000, including:

- £20 million to expand the Equal Opportunities Childcare Programme, finance a scheme of small capital grants for childcare providers caring for less than 20 children and support local childcare network initiatives
- £5 million to assist schools to set up and run after-school childcare services;
- £5 million for community-based groups to develop community out-of-school childcare services.

The Department of Justice, Equality and Law Reform will undertake overall responsibility for co-ordinating childcare service delivery arrangements. The National Childcare Co-ordinating Committee will facilitate integrated national and local childcare strategies to co-ordinate the delivery of new and existing childcare services.

Access to the Labour Market

As agreed in the new social partnership agreement, the recommendations of the Report on Access by Women to the Labour Market (see Section 4.4) will be progressed without delay, particularly with a view to enhancing the employability of women returning to the labour market.

5.2 Services Sector

“Pursue recently implemented policies encompassing regulatory, educational and fiscal measures in order to further exploit the potential for job growth in the services sector.”

Overall Strategy

Economic, employment and industrial policies pursued in Ireland have sought to focus on creating and fostering an economic and business climate that stimulates the growth of firms, including those in the services sector. This climate has been fostered through the use of instruments such as tax measures, education and training policies and encouraging competitive practices. These policy instruments have assisted in fostering a climate conducive to the substantial gains in employment which have been achieved to date, and which are forecast into the future.

Performance

Table 6 below provides a comparative frame for an examination of recent employment trends in the services sector. Overall, employment grew by more than 35%, from 1.2 million to 1.6 million, in the five year period to 4th Qr. 1999, with private sector employment accounting for the full net additional employment as public sector employment remained more or less identical between 1994 and 1999. Service sector jobs increased at a faster rate – by 42% - than overall jobs growth during this period. These trends clearly show the dynamic of the services sector with exceptional strong growth across a broad range of sectors accounting for 73% (309,000) of the overall growth of 426,000 persons in employment during the period under review.

Table 6: Employment by Economic Sector 1994 and 1999.

	1994	1999	Increase	- 94/99
Sector	(000's)	(000's)	Numbers	Percentage
Agriculture	148	140	-8	
Manufacturing	252	314	62	25%
Construction	92	155	63	68%
Services	729	1,038	309	42%
Total	1,221	1,647	426	35%

Corporation Tax

Reductions in Corporation Tax that are taking place on a phased basis to the year 2003, when it will be set at 12.5%, will act as a very strong stimulant to further growth in the services sector. This significant policy instrument will be complemented with policies aimed at maintaining a business environment conducive to the growth of the services sector generally.

Development Strategy

In addition, a strategy and implementation action plan based on the findings of *The Strategic Study on the Development of the Services Sector*, commissioned by Enterprise Ireland and co-funded by the European Commission under the Small Business Operational Programme, will focus on proactive regionalisation and the identification of those internationally tradable services with the greatest potential for Irish companies. The study was commissioned against a background where the services sector, particularly the internationally traded sector, is heavily concentrated in the Dublin/East region. As services are the largest component of employment within the economy, this location bias has significant implications for employment/populations in other regions of the country.

5.3 In-House Training

“Intensify policy efforts to expand and improve in-house training of employees.”

Training Investment

In addition to the European CVT survey (results of which are expected later in 2000), IBEC has commissioned a survey of investment in HRD at firm level. Initial indications from this survey are that investment by Irish enterprises in this area is now approaching the European mean of three percent of payroll. A further survey is being conducted under the Expert Group on Future Skills Needs aimed at identifying barriers to investment in training in a range of lower technology sectors.

National Training Fund

In Budget 2000, the Government announced the creation of a new National Training Fund. The fund will be resourced through a levy equivalent to 0.7% of employer's social insurance contributions. As there will be a balancing cut in contribution rates, there is no net additional financial imposition on employers. It is anticipated that the fund will be operational early in the second half of 2000. The fund will be deployed initially in respect of ongoing training supports in and for employment. However, it is anticipated that growth in fund revenues will provide scope to support new schemes and programmes aimed at improving in-house training of employees and lifelong learning initiatives generally that enhance competitiveness and employability.

Lifelong Learning

In the context of adaptation to continuing labour market change, the Department of Enterprise Trade and Employment has established a Lifelong Learning Task Force in conjunction with the Department of Education and Science. A key aim of the Task Force will be the development, as a matter of priority, of specific initiatives to upgrade the skills of workers in low paid sectors and those facing the challenge of rapid technological change. These initiatives will focus on promoting and enhancing access to training, the development of new skills, the acquisition of recognised qualifications and progression to higher-level qualifications.

Strategic Review

The Department of Enterprise Trade and Employment has progressed its strategic review of enterprise training policy aimed at increasing the focus of, and value added from, state investment in this area. Key themes emerging from the review are the need for a greater concentration on the Excellence Through People quality standard, on thematic approaches, on better linking sectoral and firm specific supports, and on ensuring that direct financial supports to firms are integrated with the firm's business strategy and are geared to achieving a step change in the company's approach to investment in HRD. In the latter regard, the HRD component has now been fully integrated into the targeted holistic approach being pursued by Enterprise Ireland. The Dept. of Enterprise, Trade & Employment is also working with FÁS on the implementation of the strategy. The Strategic Review will consider, in conjunction with the social partners, how best to address the importance of adopting enterprise-led approaches and initiatives in relation to state support of in-company training.

SECTION 6

Contribution of Social Partners

Since 1987, the social partnership process in Ireland has laid the foundation and set the context for a diverse range of strategies and initiatives impacting directly and indirectly on labour market policy. The pursuit of economic and social aims is treated as mutually reinforcing and interdependent. A shared understanding exists between Government and the social partners on the need for ongoing effort towards the achievement of an appropriate balance between all elements required for a dynamic economy and stable society.

The latest partnership agreement, Programme for Prosperity and Fairness, reflects strongly the imperative that social partnership must have an in-built dynamic to order to respond flexibly and imaginatively to new needs and challenges. The programme consists of five operational frameworks, which embrace many aspects and dimensions of the labour market:

- (i) Living standards and workplace environment;
- (ii) Prosperity and economic inclusion;
- (iii) Social inclusion and equality;
- (iv) Successful adaptation to continuing change; and
- (v) Renewing partnership.

Under Framework I a detailed section is included on workplace relations and the work environment, incorporating framework agreements for the development of equal opportunities policies and family- friendly policies at the level of enterprise.

As part of Framework IV, a reinvigorated emphasis is given to guiding, driving and managing the transition to a knowledge-based economy and society. The core challenges surrounding lifelong learning, employability and the information society are set within an over-arching context of successful adaptation to continuing change with a view to deepening competitiveness, combating social exclusion and encouraging self-development. The Government will work closely with the relevant social partners, throughout the period of the Programme, in exploring and developing the various aspects of a knowledge-based economy and society. In that regard, a firm determination exists on all sides to work in partnership with one another in meeting the challenges ahead.

In particular the partners agreed that in terms of the preparation and monitoring of the Employment Action Plans and Operational Programmes under the NDP, substantive and timely engagement will take place.

Another important dimension of the evolving partnership model in Ireland is the ongoing task of seeking to replicate at enterprise level the success of social partnership at national level. As part of that process, Operation Framework V of the Programme for Prosperity and Fairness will aim to build on the progress of recent years by injecting new momentum into the process. In particular, the enhanced National Centre for Partnership and Performance will work with relevant Government Departments and Agencies as well as employer and trade union representative bodies in developing guidelines to assist enterprises in embarking on, and successfully putting in place, partnership arrangements. The over-riding aim of the Centre will be to maintain Ireland's competitive strength and an environment conducive to innovation.

SECTION 7

Assessment of ESF Contribution

Employment and Human Resource Development Operational Programme

The Employment and Human Resources Development Operational Programme (based on the National Development Plan 2000-2006) contains a wide range of measures, including both ESF co-financed and non-co-financed.

Within the framework of the ESF policy fields, the Fund's interventions under the Operational Programme have been structured in a manner which also strengthens its role in underpinning the European Employment Strategy and in addressing, in particular, the 'gaps and weaknesses' identified through the Joint Council/Commission assessments under the multi-annual EAP process.

The EAP's emphasis on preventing the drift into long-term unemployment, coupled with need for a more effective job-broking service in a labour-scarce economy, have placed additional responsibilities on the National Employment Service. The ESF will provide co-financing for innovative developments including group guidance and new ICT-based delivery mechanisms.

To promote continuation in second-level education, the ESF will develop a co-financing role under the School Completion Initiative, which is designed to raise retention rates to completion of the Leaving Certificate or its equivalent. New and flexible Early School Leaver Progression strategies will be developed with the objective of providing ESLs with access to higher skills training. The ESF will play an important funding role in this process over the programme period. The ESF will also co-finance initiatives aimed at widening Third-Level Access for those students affected by disadvantage.

Consistent with the overall policy objective of labour supply mobilisation, measures such as the Action Programme for the Long-term Unemployed and Skills Training for Unemployed and Redundant Workers will aim to integrate the long-term unemployed into mainstream training. Within this context, the ESF will target its co-financing interventions particularly towards women returning to the workforce, lone parents, and older workers contemplating a return to employment as well as persons in low skilled employment requiring short-term and flexible training responses.

The Social Economy measures will seek to maximise the development of enterprises specifically geared to meeting the re-generation needs of local economies within disadvantaged communities. The ESF will contribute, in particular, to the 'non-wage costs' associated with the development of innovative, locally based enterprises.

Through the process of consolidation within the Back to Education Initiative of existing provision under Youthreach/Traveller, VTOS and PLC programmes, new and more flexible opportunities will be offered to those seeking to upgrade their skills and qualifications, particularly in the areas of information and communication technologies and technical training. The ESF co-financing contribution will be strategic in focus and will be directed in particular towards the delivery of flexible and adaptable Part-Time Option components within the measure.

Ireland's relatively poor performance in international comparisons of literacy attainment makes it imperative that policy is directed towards improving Adult Literacy levels during the term of the programme. The ESF co-financed contribution will be accorded a strategic

focus and will be directed, in particular, at developing adaptable and flexible approaches to the delivery of the Part-Time Options component of this measure.

Reflecting the recommendations of both the Expert Group on Future Skills Needs and the National Competitiveness Council, the ESF will co-fund the Undergraduate Skills measure to increase the provision of third-level places, particularly in the disciplines of information and communications technologies, with the objective of meeting the skills needs of high-technology industry.

The National Qualifications Framework, contained in the 1999 Qualifications (Education & Training) Act, sets new standards for the delivery of high quality and efficient market-led education and training provision. Under this measure, the ESF will provide co-funding support for the National Qualifications Authority of Ireland (NQAI) to strengthen the overall operation of the newly established framework.

In response to the Helsinki Council recommendations, the enterprise-led strategy currently being developed recognises the need to raise both the level and quality of in-company training including its systematic delivery and Social Partner involvement. A number of priorities have been identified as particularly relevant for ESF co-funded support, including:

- The development of quality training standards in enterprises, and particularly in SMEs
- Initiatives to reskill and upskill existing employees, particularly those possessing few skills
- The development of sectoral training initiatives and training networks.

The Traineeship model has made a significant contribution to fast-tracking systematic skills development for young labour market entrants. The ESF will co-finance the development of Traineeships.

An overall gender mainstreaming strategy across the Operational Programme is being put in place. From the planning stage onwards, all programmes, policies and measures must take account of subsequent impacts on both men and women; to assist this, an Equal Opportunities Promotion and Monitoring Unit will be set up, co-funded by the ESF, to provide advice and assistance to implementing departments and delivery agencies.

A dedicated Equality Unit within the Education Sector will also be established to co-ordinate and monitor gender mainstreaming in all areas of the education system.

An Educational Disadvantage measure catering for both women and men, co-funded by ESF, will seek to build upon the 1998 Women's Education Initiative, which was specifically designed to address identified gaps in provision for educationally-disadvantaged women.

Table 7: Employment & Human Resources Operational Programme: 2000-

2006 all figures are in millions of Euros

PILLAR	TOTAL	ESF	CO-FINANCED	NON CO-FINANCED
Employability	7,694.5	538.9	432.0	6,723.6
Adaptability	3,399.0	168.9	137.4	3,092.7
Entrepreneurship	587.5	180.7	133.0	273.8
Equality	33.5	9.5	7.8	16.2
Infrastructure Measure	2352.8	0	0	2,352.8
Technical Assistance	9.2	4.0	4.5	0.7
TOTAL	14,076.5	902.0	714.7	12,459.8

Community Initiatives

The total funding for EMPLOYMENT and ADAPT in the period 1994-1999 amounted to €150m (IR£118.3 million) of which €109.57m (IR£86.3 million) was provided through the ESF. Some 9000 individuals benefited directly from the EMPLOYMENT Initiative with some 89% of participants progressing to education, further training and employment. Almost 8000 individuals benefited under the ADAPT Programme which employed at project level directly over 120 full-time and 245 part-time individuals.

The mainstreaming forum established by the Department of Enterprise, Trade and Employment for EMPLOYMENT in November 1998, following a recommendation by the Monitoring Committee, provided a basis for policymakers to learn directly about the outcomes from the projects and to consider their usefulness in terms of adapting policies.

Generally, the capacity of and the potential for community, voluntary groups and the NGO sector to engage in operational areas of pilot Programmes such as EMPLOYMENT and ADAPT has been enhanced significantly as a result of the ESF and relevant co-financing.

The horizontal dimension of the new EQUAL Initiative should ensure a better level of coordination amongst Departments, public authorities, Agencies, social partners, NGOs etc. Complementarily to the themes set out in the EU Commission's Guidelines for EQUAL, the Initiative will also address areas of national labour market policy identified in the Employment Action Plan. The Commission Guidelines for EQUAL propose as a supporting process to periodically assess the value added of EQUAL in relation to the Employment Action Plans and the establishment of a database of good practice under EQUAL as the basis for this assessment.

APPENDIX 1

Profile of Vacancies in Private non-Agricultural Sector

Table 8 below contains the number and percentage of vacancies by occupational group (ranked in order of the percentage of vacancies to employment), taken from the ESRI's *National Survey of Vacancies in the Private Non-Agricultural Sector in August 1998*, and published by ESRI 1999. It shows that there were 53,000 vacancies, equivalent to 6% of the vacancy-to-employment ratio at the time of the survey in Autumn 1998. The greatest proportionate vacancies were among computer engineers and professionals and associate professionals. Another very significant category of vacancy was skilled maintenance and production workers (craftspersons). When viewed in numerical terms the largest numbers of vacancies were in a diverse range of occupations including production operatives (8,400), skilled maintenance/production (8,100), sales (7,900) and clerical/secretarial (6,800). Together, these four areas account for nearly 60 per cent of all vacancies.

Of course, vacancies form a normal feature of the operation of a labour market. The question arises as to whether they are **difficult-to-fill** (DTF). Where DTF cases arise, a form of adjustment to supply constraints is for wage rates to rise and run ahead of productivity gains which can push up costs, eroding competitiveness and putting a brake on exports¹². A significant minority, nearly 19,000 firms of the 78,000 covered in the survey had vacancies which they considered **difficult-to-fill**. Where firms had (DTF) vacancies they were asked which was the single type of vacancy most difficult to fill. The most commonly cited occupational group was skilled tradespersons (21%), with clerical (11%) the next most commonly mentioned. This number one ranking for skilled tradespersons applied to both traditional and high-tech manufacturing and to both large and small firms in these sectors. However, in large high-tech manufacturing firms, engineers (20%), managers (15%) and computer specialists (11%) were also frequently ranked as most difficult-to-fill. Computer specialists were the most difficult to fill for finance/ insurance/business services companies.

Table 8:

Occupational Group	Vacancies	% Vacancies/Employment
Computer Associate Professionals	1,400	16
Computer Professionals	1,600	15
Engineering Professionals	1,700	11
Engineering Associate Professionals	1,500	11
Science Associate Professionals	700	11
Security	900	11
Skilled Maintenance / Production	8,100	9
Personal Services	4,300	8
Science Professionals	200	7
Sales	7,900	7
Labourers	3,500	5
Transport, Communications	3,100	5
Production Operatives	8,400	5
Clerical, Secretarial	6,800	5
Other Professional	800	3
Other Assoc. Professionals	700	2
Managers, Proprietors	1,900	2
Total	53,600	6

¹² Commenting on labour and skills shortages in its 1999 Economic Survey of Ireland, the OECD noted such a concern and suggested "the risk is that this process could be too rapid, with unrealistic expectations leading to an overshooting of sustainable wage levels and a sharp cost-based slowdown in growth to well below potential rates".

APPENDIX 2

Profile of Long-Term Unemployed:

Table No.9 below provides details of the composition of the long-term unemployed by age and gender.

Long-Term Unemployment by Age and Gender (excluding those "not stated")

	15-24	25-44	45 +	Total
<u>Nos. Unemployed</u>		('000)		
Men	4.2	12.4	9.4	26.0
Women	2.7	4.5	2.7	9.9
All Persons	6.9	17.0	12.0	36.0
<u>Distribution</u>				
Men	16.2%	47.7%	36.2%	100.0%
Women	27.3%	45.5%	27.3%	100.0%
All Persons	19.2%	47.1%	33.7%	100.0%
<u>Long-Term Unemployment Rate</u>				
Men	2.2%	2.5%	2.8%	2.5%
Women	1.7%	1.2%	1.7%	1.4%
All Persons	1.9%	1.9%	2.4%	2.1%
<u>% of Total LTUs</u>				
Men	11.7%	34.5%	26.2%	72.4%
Women	7.5%	12.5%	7.5%	27.6%
All Persons	19.2%	47.1%	33.7%	100.0%

Source: Central Statistics Office, QNHS 4th Quarter 1999 (Sept.-Nov '99)

APPENDIX 3

Changes in Labour Supply of Specific Groups

Table 10 below shows trend changes in potential Irish labour supply of specific groups within the working age population from 1994 to 4th. Qtr 99, excluding persons who are not in the labour force other than marginally attached.

Table 10: Trend Changes in Potential Irish Labour Supply 1994 to 4th. Qtr 99 ('000)

	1994	1995	1996	1997	1998	2nd Qtr. '99	3rd Qtr '99	4 th Qtr '99
In Labour Force								
STU	82.8	74.1	75.7	72.7	63.1	55.3	63.2	52.7
LTU	<u>128.2</u>	<u>103.00</u>	<u>103.3</u>	<u>86.3</u>	<u>63.5</u>	<u>41.6</u>	<u>37.9</u>	<u>36.0</u>
Total Unemployed	211.0	177.4	179.0	159.00	126.66	96.9	101.1	88.7
Marginally Attached								
Discouraged Workers	19.1	16.4	13.6	16.9	14.1	12.6	13.2	13.1
Passive Jobseekers	<u>10.6</u>	<u>11.1</u>	<u>6.6</u>	<u>8.3</u>	<u>5.5</u>	<u>4.1</u>	<u>4.5</u>	<u>2.9</u>
Total Marginally	29.7	27.5	19.9	25.2	19.6	16.7	17.7	16.0
Attached								
TOTALS	240.7	204.9	199.2	184.2	146.2	114.6	118.8	104.7

Source: Central Statistics Office – Labour Force Surveys and Quarterly National Household Surveys

APPENDIX 4

Outcomes of Cumulative Referrals of Young Unemployed to end Dec. 1999

Table 11 below provides a more detailed breakdown of the outcomes of the Referral Process for Young Unemployed (under 25) referred as they crossed six months of registered unemployment.

Table 11: NAP referral outcomes summary
Cumulative referrals to end-December 1999, as at end January 2000

Section 1: Referral, attendance at interview						
	<i>All Persons</i>		<i>MEN</i>		<i>Women</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
No. of persons referred by DSCFA	16389	100%	8922	100%	7467	100%
of whom:						
1. Interviewed by FÁS	9979	61%	5364	60%	4615	62%
2. Did not attend, of whom	5201	32%	2895	32%	2306	31%
Still on LR	679	4%	338	4%	341	5%
Left LR	4522	28%	2557	29%	1965	26%
3. Active in LES	745	5%	407	5%	338	5%
4. Pending Interview	464	3%	256	3%	208	3%

Section 2: FÁS Interviewees						
	<i>All Persons</i>		<i>Men</i>		<i>Women</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
Total, of whom:	9979	100%	5364	100%	4615	100%
5. Placed in jobs/Training	5312	53%	2844	53%	2468	53%
Jobs	2901	29%	1723	32%	1178	26%
FÁS Programmes	1919	19%	898	17%	1021	22%
Other training/education	492	5%	223	4%	269	6%
6. Others still on LR:	1696	17%	873	16%	823	18%
of whom: 7. Referred to training	264	3%	131	2%	133	3%
8. Continues with FÁS support	487	5%	273	5%	214	5%
9. Dropped out	441	4%	261	5%	180	4%
10. Not progression ready	423	4%	174	3%	249	5%
11. Other inactive	81	1%	34	1%	47	1%
12. In groups 7-11, but left LR	2971	30%	1647	31%	1324	29%
13. Total placed/signed off (5+12)	8283	83%	4491	84%	3792	82%

Section 3: Total leavers from Live Register						
	<i>All Persons</i>		<i>Men</i>		<i>Women</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
14. FÁS interviewees	8283	65%	4491	64%	3792	66%
15. Did not attend	4522	35%	2557	36%	1965	34%
16. Total leavers	12805	100%	7048	100%	5757	100%
17. As % of referrals (excl. LES)	82%		83%		81%	

Section 4: Destinations of those who left LR
(all referrals to end December who left the Live Register by end January 2000)

All Persons

	Did not attend		FÁS interviewees		All leavers	
Destination:						
Work	1632	36%	3646	44%	5278	41%
FÁS	84	2%	1989	24%	2073	16%
Education	108	2%	545	7%	653	5%
Other benefits	293	6%	256	3%	549	4%
Not entitled	528	12%	432	5%	960	7%
Gone abroad	164	4%	139	2%	303	2%
Did not sign	929	21%	496	6%	1425	11%
Other/unknown	784	17%	780	9%	1564	12%
Total	4522	100%	8283	100%	12805	100%

MEN

	Did not attend		FÁS interviewees		All leavers	
Destination:						
Work	986	39%	2175	48%	3161	45%
FÁS	38	1%	935	21%	973	14%
Education	51	2%	248	6%	299	4%
Other benefits	59	2%	52	1%	111	2%
Not entitled	311	12%	241	5%	552	8%
Gone abroad	95	4%	83	2%	178	2%
Did not sign	605	24%	330	7%	935	13%
Other/unknown	412	16%	427	10%	839	12%
Total	2557	100%	4491	100%	7048	100%

WOMEN

	Did not attend		FÁS interviewees		All leavers	
Destination:						
Work	646	33%	1471	39%	2117	37%
FÁS	46	2%	1054	28%	1100	19%
Education	57	3%	297	8%	354	6%
Other benefits	234	12%	204	5%	438	8%
Not entitled	217	11%	191	5%	408	7%
Gone abroad	69	4%	56	1%	125	2%
Did not sign	324	16%	166	4%	490	8%
Other/unknown	372	19%	353	9%	725	13%
Total	1965	100%	3792	100%	5757	100%

APPENDIX 5

Outcomes of Cumulative Referrals of Adult Unemployed (25-34 years) to end Dec. 1999

Table 12 below provides a more detailed breakdown of the outcomes of the referral process for Adult Unemployed, in the age range 25-34, referred to FÁS as they cross twelve months of registered unemployment.

Table 12: NEAP referral outcomes summary
Cumulative referrals to end-December 1999, as at end January 2000

Section 1: Referral, attendance at interview						
	<i>All Persons</i>		<i>MEN</i>		<i>Women</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
No. of persons referred by DSCFA	5469	100%	2429	100%	3040	100%
of whom:						
1. Interviewed by FÁS	3684	67%	1555	64%	2129	70%
2. Did not attend, of whom	1381	25%	685	28%	696	23%
Still on LR	280	5%	133	5%	147	5%
Left LR	1101	20%	552	23%	549	18%
3. Active in LES	210	4%	106	4%	104	3%
4. Pending Interview	194	4%	83	3%	111	4%

Section 2: FÁS Interviewees						
	<i>All Persons</i>		<i>Men</i>		<i>Women</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
Total, of whom:	3684	100%	1555	100%	2129	100%
5. Placed in jobs/Training	1528	41%	678	44%	850	40%
Jobs	751	20%	372	24%	379	18%
FÁS Programmes	638	17%	253	16%	385	4%
Other training/education	139	4%	53	3%	86	29%
6. Others still on LR:	1093	30%	484	31%	609	29%
of whom: 7. Referred to training	173	5%	77	5%	96	5%
8. Continues with FÁS support	423	11%	205	13%	218	10%
9. Dropped out	191	5%	89	6%	102	5%
10. Not progression ready	241	7%	94	6%	147	7%
11. Other inactive	65	2%	19	1%	46	2%
12. In groups 7-11, but left LR	1063	29%	393	25%	670	31%
13. Total placed/signed off (5+12)	2591	70%	1071	69%	1520	71%

Section 3: Total leavers from Live Register						
	<i>All Persons</i>		<i>Men</i>		<i>Women</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
14. FÁS interviewees	2591	70%	1071	66%	1520	73%
15. Did not attend	1101	30%	552	34%	549	27%
16. Total leavers	3692	100%	1623	100%	2069	100%
17. As % of referrals (excl. LES)	70%		70%		70%	

Section 4: Destinations of those who left LR
(all referrals to end December who left the Live Register by end January 2000)

All Persons			
	Did not attend	FÁS interviewees	All leavers
<i>Destination:</i>			

Work	303	28%	893	34%	1196	32%
FÁS	31	3%	651	25%	682	18%
Education	18	2%	157	6%	175	4%
Other benefits	113	10%	121	5%	234	7%
Not entitled	178	16%	363	14%	541	15%
Gone abroad	29	3%	15	1%	44	2%
Did not sign	127	12%	74	3%	201	5%
Other/unknown	302	27%	317	12%	619	17%
Total	1101	100%	2591	100%	3692	100%

MEN

	Did not attend		FÁS interviewees		All leavers	
Destination:						
Work	171	31%	446	42%	617	38%
FÁS	15	3%	257	24%	272	17%
Education	9	2%	58	5%	67	4%
Other benefits	15	3%	25	2%	40	2%
Not entitled	72	13%	94	9%	166	10%
Gone abroad	19	3%	7	1%	26	2%
Did not sign	90	16%	41	4%	131	8%
Other/unknown	161	29%	143	13%	304	19%
Total	552	100%	1071	100%	1623	100%

WOMEN

	Did not attend		FÁS interviewees		All leavers	
Destination:						
Work	132	24%	447	29%	579	28%
FÁS	16	3%	394	26%	410	20%
Education	9	2%	99	7%	108	6%
Other benefits	98	18%	96	6%	194	9%
Not entitled	106	19%	269	18%	375	18%
Gone abroad	10	2%	8	1%	18	1%
Did not sign	37	7%	33	2%	70	3%
Other/unknown	141	26%	174	11%	315	15%
Total	549	100%	1520	100%	2069	100%

APPENDIX 6

Educational Attainment Level of the Labour Force (April 1999)

Table 13 below shows a detailed breakdown of the educational profile of the labour force by gender.

Educational Level	Men		Women		All Persons	
	At Work	Unemployed	At Work	Unemployed	At Work	Unemployed
Primary	16.4%	38.5%	9.3%	20.1%	13.5%	31.4%
Lower Secondary	22.8%	30.0%	16.2%	30.2%	20.1%	30.1%
Upper Secondary	27.0%	17.5%	31.2%	25.9%	28.7%	20.8%
Further Education	11.2%	6.6%	13.7%	11.0%	12.2%	8.2%
Third Level Non Degree	6.7%	2.5%	10.7%	6.7%	8.3%	4.1%
Degree or above	13.9%	3.6%	16.8%	4.5%	15.1%	3.8%
Other	1.2%	0.7%	1.4%	1.1%	1.3%	0.8%
Not Stated	0.8%	0.8%	0.8%	0.3%	0.8%	0.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Absolute Numbers	920.1	59.3	637.3	37.4	1557.5	96.7

Source: Quarterly National Household Survey Q.2, 1999 (Special Tabulation)

The following are of note:

At Work:

- The proportion of women employed who had attained a degree or higher at 16.8% is higher than for men at 13.9%
- A higher proportion of men in employment have an educational attainment level below Upper Secondary (40%), compared to women (25%).

Unemployed:

- Both unemployed men and women are more likely to have a lower educational attainment level than those employed - 68.5% of unemployed men and 50.3% of unemployed women had received less than upper secondary education.

APPENDIX 7

Expenditure on Employment - 1999 Outturns and 2000 Estimates

Pillar 1

IMPROVING EMPLOYABILITY	1999		2000	
	€m	£m	€m	£m
Public Employment / Training Services (Admin.)	77.7	61.2	91.9	72.4
Active Labour Market Programmes / In-work Subsidies	507.1	399.4	511.1	402.5
Training / Education	150.5	118.5	170.7	134.4
Other Employability-enhancing Expenditure including education infrastructure investment	354.9	279.5	555.5	437.5
TOTAL	1090.2	858.6	1329.2	1046.8

Pillar 2

DEVELOPING ENTREPRENEURSHIP	1999		2000	
	€m	£m	€m	£m
Active Labour Market Programmes	82.5	65.0	100.3	79.0
County Enterprise Boards	32.4	25.5	30.5	24.0
Enterprise Ireland *	83.8	66.0	110.5	87.0
TOTAL	198.7	156.5	241.3	190.0

* Public Funding, excluding EU Financing Element

Pillar 3

ENCOURAGING ADAPTABILITY	1999		2000	
	€m	£m	€m	£m
Training Measures	33.3	26.2	38.5	30.3
TOTAL	33.3	26.2	38.5	30.3

Pillar 4

STRENGTHENING EQUAL OPPORTUNITIES	1999		2000	
	€m	£m	€m	£m
Equality Infrastructure	3.0	2.4	5.5	4.3
Childcare	6.2	4.9	26.0	20.5
TOTAL	9.2	7.3	31.5	24.8

	1999		2000	
	€m	£m	€m	£m
TOTAL (ALL PILLARS)	1331.4	1048.6	1640.5	1291.9

