
Introduction by Oliver Egan, Assistant Secretary, Department of Social Protection to Oireachtas Joint Committee on Education & Social Protection

Meeting of 17th October 2012

Chair and members of the committee

Firstly, I would like to thank you for the opportunity to make this introductory statement on the matters you have asked to be addressed this afternoon. I am joined by officials from the Department – Mary Donnelly, Principal Officer with responsibility for Community Employment, JobBridge and Job Initiative, and T J Fleming who is the Principal Officer based in Tubbercurry with responsibility for Tús, the Rural Social Scheme and the Community Services Programme. John Lee, Assistant Principal from the Department is also in attendance.

You have invited us here today to discuss how unemployment can be minimised and the roles Community Employment and the other schemes play in supporting people in getting back to work.

‘Pathways to Work’ sets out the strategy to introduce a better approach to how the State engages with and supports the unemployed to get back into the workforce. It is being delivered alongside the measures in the Government’s Action Plan on Jobs to help create new employment opportunities. The approach set out in Pathways is designed to build on existing Government policies to ensure that as many new job opportunities as possible are filled by those on the Live Register. The challenge in Pathways is to ensure that the creation of new jobs results in a reduction in unemployment – particularly long-term unemployment so that individuals do not become permanently disenfranchised within our society.

The Department of Social Protection is engaged with the delivery of income support payments, activation of those of working age and the control of fraud and abuse of the system. In relation to activation the aim of this Department is to engage with every unemployed individual to make sure that his/her first day out of work is also the first step on the pathway back to work. Future funding of employment programmes, particularly CE, will reinforce the key objectives required by the Department as outlined above. This requires a more focused engagement with people on programmes such as CE and greater targeting of activation places and opportunities to further the progression of unemployed people into work.

Community Employment is one of a number of Employment Schemes managed by the Department of Social Protection. Other smaller programmes that are similar in many respects to Community Employment are: the Rural Social Scheme (RSS); Community Services Programme (CSP); Job Initiative (JI) and Tús.

Community Employment (CE)

Members of the Committee have been furnished with a copy of the Financial Review of CE Schemes. Therefore I will not go into the background and the main features of CE in detail. I am of course very happy to take questions on the Review. I will however point to a number of key areas that I feel are pertinent to this Committee. In addition I will make reference to the other schemes already mentioned.

CE over the years has become a vital service to communities both in remote rural areas and areas of urban disadvantage. It has developed into a unique programme that integrates employment interventions and training for the individual with community services. It is the largest labour market activation programme in Ireland. The 2012 budget for CE is approximately €340m. The programme currently consists of:

- 23,300 places which includes approximately 1,400 Supervisors; and
- 1,136 CE schemes that provide a wide range of social services to local communities throughout the country.

A key function of CE is supporting social inclusion and counteracting the drift into long-term unemployment. The programme is targeted in the main at people over 25 who are long-term unemployed and very distant from the labour market. Participants on CE are in receipt of specified social welfare payments for a minimum period of 1 year and include – people on the Live Register, lone parents, and people with a disability. Within these categories there are participants associated with long term disadvantage e.g. ex-offenders, people with drug dependency, and people from the travelling community. CE is a broad and flexible programme that has been utilised to address many social challenges presenting at individual and/or societal level e.g. rehabilitative programmes and supporting communities in the provision of services.

Many new entrants to CE experience educational disadvantage. Just over half (53%) of new entrants to CE have Junior Certificate or less; of these, one in five (23%) per cent had Primary level education or no record of achievement. Males tend to have lower education attainment than females. In 2011 over 37,000 components of learning were completed by CE participants; nearly 17,000 of these were accredited by FETAC under the National Framework of Qualifications as minor awards.

In terms of age profile, approximately one quarter of CE participants are between 25 and 35 years, over half of all participants are in the 45 year plus age category. This programme is predominantly focused on the older, low skilled job-seeker and requires a different type of environment - one that supports and understands the adult learner.

CE and Jobs

I have said CE has had two main objectives, (1) to help the long term unemployed gain employment and (2) to support organisations in providing services to communities. This dual mandate can lead sponsors to be over focused on the service provision often to the detriment of the progression of the job-seeker. The primary focus of this Department for the CE participant is to assist them in gaining the skills and work experience to enable them to enter paid employment.

Of those who left CE in 2011, 19% went into employment and a further 7% went onto further education. In terms of the current economic environment and taking into account the profile of participants this can be considered a positive outcome.

The Department is conducting a policy review of the effectiveness of its full range of employment support programmes. The outcome of this review will help determine future policy with regard to the role and appropriate scale of activation programmes. Of course decisions in this area are a matter for the Minister and the Government. The Department is committed to reforming CE to ensure progression of the individual, support for the sponsor in the delivery of service, and value for money for the State.

As referred to earlier, there are other Employment Schemes supported by DSP.

The Rural Social Scheme (RSS)

The RSS scheme supplements the incomes of those engaged in small scale farming or fishing and who are in receipt of, or have an entitlement to social welfare payments. The scheme gives participants the opportunity to engage part-time in providing services of benefit to their local communities. There is no expectation of further progression and no training requirement other than that related to compliance issues and health and safety. Current participation is capped at 2,600 places with 130 supervisors and the 2012 budget is €45.6m.

The Community Services Programme (CSP)

The CSP programme supports the provision of services by community organisations. Currently the Programme supports approximately 2,800 employees directly and another 800-900 indirectly in 423 not for profit companies and small co-operatives. The community companies supported are required to generate a significant level of their resources from the delivery of services by charging fees or selling goods and services. Grant levels as a proportion of turnover in the companies vary from around 15% to 85%. The 2012 budget is €45.4m.

Job Initiative (JI)

The Job Initiative scheme was launched in 1996. JI is a programme that initially provided three years full-time employment for people who – on entry to the scheme – were 35 years of age or over, unemployed for 5 years or more, and in receipt of social welfare payments over that period. Further entry to the scheme was suspended in 2004, when those already on the

programme were given the right to remain on the scheme indefinitely. Its main purpose was to assist long-term unemployed people to prepare for work opportunities. This was achieved by providing participants with work experience, training and development opportunities.

The Job Initiative has 1,176 participants (Sept. 2012) and operates on a full-time basis. The 2012 budget is €27.1m.

Tús

The aims of Tús are to provide short-term, quality work opportunities for those who are unemployed and to provide certain services of benefit to communities. The programme was announced in Budget 2011(December 2010) and became operational in the middle of 2011. Participants are placed with local community organisations to provide resources to maintain and improve local amenities and facilities in rural and urban communities with inputs being funded either by Tús itself or local community fund raising or other income. Communities in turn benefit from the talent of local people with a diverse repertoire of skills and abilities. More specialist tasks may require training and up-skilling which is undertaken by the Implementing Body.

Tús currently has 4,675 participants, of which 243 are Supervisors. The 2012 budget is €84m.

Concluding Remarks

I would like to thank the Committee for this opportunity to make this presentation. We are happy to address any questions you may have in so far as we can.