

Annex F: Supporting Those Who Lose Their Jobs

The Departments of Enterprise, Trade & Employment, Education & Science and Social & Family Affairs have agreed a joint approach to activation and have produced a range of measures aimed at maintaining people in employment, re-skilling and facilitating better access to allowances, while avoiding undue negative impacts on vulnerable individuals.

The **Department of Social & Family Affairs** package of six measures relates to the *Back to Work Enterprise Allowance* and *Back to Education Allowance* schemes to facilitate better access to supports which have a gross full year cost of €22.1 million. The cost of these measures in 2009 will be met from within existing resources. The initiatives will facilitate 1,400 additional claims for support.

The **Departments of Enterprise, Trade & Employment** and **Education & Science** have put together some 11 proposals to provide an additional 23,435 places from within existing resources.

The training, education and employment opportunities to be provided are set out below:

Department of Enterprise, Trade & Employment

| | |
|---|---------------|
| - Community Employment Scheme | 400 |
| - Training Initiatives Strategy (10-week courses) | 12,015 |
| - Training Initiatives Strategy (20-week courses) | 1,833 |
| - Work Experience Scheme | 2,000 |
| - Pilot Scheme for Short Time Workers | 277 |
| <i>Sub-total</i> | <i>16,525</i> |

Department of Education & Science

| | |
|---|--------------|
| - Transition courses | 930 |
| - Accelerated Certificate Programmes | 280 |
| - Full-time 3 rd level places | 2,000 |
| - Post Leaving Cert Courses | 1,500 |
| - Redundant Apprentice IoT Scheme (with D/ETE) | 700 |
| - Part-time 3 rd level places (with D/ETE) | 1,500 |
| <i>Sub-total</i> | <i>6,910</i> |

Total estimated number 23,435

Costs

The estimated full-year cost of the above measures is approximately **€128 million**, funded from reallocations of funds from within each Department, and broken down as follows:-

Department of Social & Family Affairs – €22.1 million

Department of Enterprise, Trade & Employment – €55.9 million and a further €5.5 million for joint initiatives with Department of Education & Science

Department of Education & Science – €18.85 million in 2009 and €44.35 million in a full year.

Further details of the particular initiatives are set out overleaf.

Activation / Re-skilling

Overall approach of measures

The development of the measures for activation has been approached on the basis that they must offer, within existing resources, a substantive response to the immediate needs of those who are losing their jobs. At the same time they must also be consistent with and grounded in achieving the objectives and targets set out in the national skills strategy which aims to support the transition to the knowledge economy and the creation of sustainable long term employment opportunities.

The range of measures reflects the fact that people at all skill levels are losing their jobs and that it is important to provide a mix of responses in training and education best suited to the diverse needs of the newly unemployed.

D/Social & Family Affairs Measures

1.1 Reform of *Back to Work Enterprise Allowance (BTWEA)* and *Back to Education Allowance (BTEA)*

- 1.1.1 In order to respond effectively to the growing numbers on the Live Register and the current employment situation, it has been decided to refocus resources on the Enterprise strand of the Back to Work Allowance which supports people into self employment. To this end, the employee strand of the Back to Work Allowance will be closed to new applicants. This will be replaced by two new Back to Work Enterprise Allowance schemes.
- 1.1.2 A package of six measures will be implemented to facilitate better access to supports:
- Reduce duration payable for the BTWEA from 4 years to 2 years support. Savings are estimated at €12 million annually;
 - Reduce qualifying period required for BTWEA from 2 years to 12 months for access to the back to work enterprise allowance (self-employed strand) provided a person has an underlying entitlement to jobseekers allowance, which, based on current claim rates, it is estimated could result in 900 additional claims per annum. Estimated additional gross cost is €6.7 million in a full year;
 - Allow persons who have previously participated in the BTWEA scheme, and exhausted their entitlement after completion of the scheme, to participate a second time after period of at least 5 years has elapsed. Estimated additional cost is negligible;
 - Earlier access to BTEA (Second Level Option) at 3 months instead of 6 months. Estimated additional cost is €0.12 million;
 - Earlier access to BTEA (Third Level Option) when recommended by a Facilitator (reduce from 12 to 9 months in line with NEAP);
 - Immediate access to a shorter BTWEA for someone who qualifies for a Jobseekers Benefit (with 104 contributions paid in the past 2 years), or who qualifies for statutory redundancy. It is estimated that 500 additional claims will result from this measure. Legal advice will be required as to proper formulation of this proposed scheme. The estimated additional cost is €5.3 million.
- 1.1.3 The gross cost of the package is €2.1 million, the 2009 cost of which (€12 million) will be met from within existing resources.

D/Enterprise, Trade & Employment Measures

1.2 Extra activation provision

- 1.2.1 The measures identified will provide 16,525 additional places in various programmes. The cost of these initiatives (and those being implemented in conjunction with D/ES) will be funded through savings of €1.4 million.
- 1.2.2 Community Employment Scheme: Increase by 400 the number of places on Community Employment Schemes at a gross cost of €6.6 million.
- 1.2.3 Training Initiatives Strategy – Short Courses (10 weeks): Increase in Training Initiatives Strategy of 12,015 short training course places at a total gross cost of €7.3 million:
- These are typically 10 week courses for the development of occupation- specific skills courses with accreditation at either Levels 4, 5 and 6 on the National Framework of Qualifications or with recognised industry accreditation bodies.
- 1.2.4 Training Initiatives Strategy – Longer Courses (20 weeks): Increase in Training Initiatives Strategy of 1,833 longer training course places at a total gross cost of €1m:
- These are typically 20 week courses for the development of occupation- specific skills courses with accreditation at either Levels 4, 5 and 6 on the National Framework of Qualifications or with recognised industry accreditation bodies.
- 1.2.5 Work Experience Scheme: Provide 2,000 places on a new Work Experience Scheme on a cost neutral basis where the State's payment will be equivalent to social welfare Job Seeker Benefit/Assistance weekly rates. *The details of this scheme will be finalised between the Department of Enterprise, Trade and Employment, and the Department of Social and Family Affairs with a view to early implementation.*
- 1.2.6 Pilot Training Scheme for Workers on Short Time: This represents a significant new approach to supporting people in vulnerable employment. It will provide training and income support to workers considered to be in vulnerable employments, by introducing a pilot scheme for companies that have placed staff on a 3-day week, to provide 2-days training a week to up-skill employees for a period of 52 weeks. The proposal envisages 277 participants at a cost of approx €1 million for the training element. *The details of this scheme will be finalised between the Department of Enterprise, Trade and Employment, and the Department of Social and Family Affairs with a view to early implementation.*

D/ETE is also providing necessary funding to enable implementation of measures in the education sector, as set out in paragraphs 1.3.4 and 1.3.5 below.

D/Education & Science Measures

1.3 Extra activation provision

- 1.3.1 The measures identified will provide 6,910 additional places for unemployed people in the further and higher education sectors. The cost of these initiatives (and the training costs of the redundant apprentice programme being implemented in conjunction with D/ETE) to the D/ES Vote will amount to €18.85 million in 2009 and will be funded through reallocation of

resources within the D/ES budget. The full-year cost to the D/ES Vote of the measures being provided is €4.35 million.

1.3.2 *Extra places at Third Level*

- 930 places on short part-time transition courses to facilitate entry to courses starting in September 2009;
- 280 places on accelerated certificate programmes beginning immediately ;
- 2,000 full-time third level places starting in September 2009 will be available for the unemployed.

1.3.3 *Post Leaving Certificate*

Expand PLC provision by 1,500 places in September 2009.

1.3.4 *Redundant Apprentice IoT Scheme*

In conjunction with D/ETE, introduce an 11 week certified training programme for up to 700 redundant apprentices per annum. Completion of the programme will facilitate participants progressing to other higher education training programmes or to complete their apprenticeship at a later stage if on the job placements can be found for them. D/ES will fund the training cost of the programme which will amount to €1 million. D/ETE will fund the income support costs for participants on the programme, which will amount to €1.5 million.

1.3.5 *Part-Time Third Level Education Places*

In conjunction with D/ETE, 1,500 third level places will be provided to enable persons who are unemployed or who are on short time working, to pursue third level certificate or degree programmes at levels 6, 7, and 8 on a part-time basis. The estimated cost is €4 million. *Arrangements for the operation of the scheme will be agreed jointly by the two Departments with a view to early implementation.*