



# Key to boosting job hopes lies in training and placement

## JOBS CRISIS WHAT CAN BE DONE

The third part of our week-long examination

Programmes matching graduates to companies for internships can be highly effective

### DR LIAM DELANEY

**F**IGURES TO be released this morning on the number of people claiming unemployment benefits will confirm the scale of the State's jobs crisis. At 450,000 people in September, representing a jobless rate of 13.7 per cent, Ireland has one of the highest unemployment rates in the developed world.

This is the single most important statistic of the Irish recession.

The policy response to the crisis has been weak, with concern over fiscal and banking issues leading to a general paralysis in terms of decisive labour market policy measures.

This inaction is a continuation of pre-crisis failings, when reforms to labour market policy were barely even thought about. In terms of a policy response to the jobs crisis, the first point to be made is that a short-term response has limits when divorced from long-run strategy. More emphasis on the foundations of learning must underpin such a strategy, from early childhood education to curriculum reform. Strengthening these cornerstones will ultimately better prepare later generations for the vagaries of the modern labour market than the current one has been.

How should our education and training institutions adapt to this major labour market crisis? Four issues are urgently relevant.

First, training people in low-intensity generic courses, as is mostly the case with those provided by Fás, is not likely to have any major effect on their employment prospects. The replacement of Fás, recently announced by Tánaiste Mary Coughlan, needs to address this issue urgently. The rebranded training agency must move towards higher intensity

courses, and must aggressively cultivate internship training opportunities within a more diverse range of sectors.

An urgent evaluation of costs and benefits of different initiatives must also be at the heart of the new agency. Costs and potential outcomes for each new initiative must be published in advance and subject to proper scrutiny and debate.

The views of participants of the value of the schemes should be elicited independently and published, and the agency must routinely drop courses and schemes that have a poor economic rationale. The Government should immediately use this opportunity to abolish courses that are not now needed – particularly in construction, where we have a major oversupply of labour. The new agency cannot simply be a rebranded version of Fás.

Second, the graduate labour market must be seen as worthy of more policy attention. While graduates, in general, still have far better job prospects than non-graduates, the graduate unemployment rate in the current recession is substantial – 30 per cent of graduates from the 2009 university cohort interviewed for a recent survey by UCD's **Geary** Institute described themselves as unemployed.

The Irish Business and Employers' Confederation (Ibec) has been running a programme matching graduates to companies for internships. It appears to be highly effective. If this can be confirmed through evaluation, it should be scaled up quickly.

Third, training must also be seen in broader terms. A large body of evidence is increasingly showing that unemployment is such a stressful event that it may affect deep-level psychological processes such as memory and

attention. There is substantial evidence that patterns of job search, financial behaviour and so on among many unemployed people are self-defeating. It is important that training and placement programmes do not stigmatise unemployed people. Interventions that keep people in some form of labour market activity will produce this goal to a far greater degree than training programmes designed for a different economy with low obvious value.

Finally, we must remember that an increasing number of children are growing up in environments where a substantial proportion of the young adults they know are unemployed. Schools must recognise and respond to this key new reality. Children and teenagers from environments with high unemployment must not come to see the workplace as alien to them.

Recent work experience programmes with hundreds of thousands of young people in the US, mostly from disadvantaged backgrounds, have proven to be at least a partial success, according to recent evaluations. Employers were, predominantly, happy to offer placements and were happy with the outcomes, and the work-readiness of the young people involved improved substantially. Investment in disadvantaged young people across their lives, rather than sticker-tape solutions later on, is critical.

Dr Liam Delaney is senior researcher in the UCD Geary Institute and a permanent lecturer in economics and public health in UCD