

## Chambers Ireland's Submission to the Mid-Term Review of the Further Education and Training Strategy 2014 - 2019

Are you familiar with the Further Education and Training Strategy 2014 – 2019?

Yes

Was your organisation involved in the development of the FET Strategy 2014-2019?

Yes

Please identify the most significant achievements to-date of the FET Strategy 2014-2019 and the factors that have contributed to those achievements?

The establishment of the first strategy for further education and training was in itself a positive development and Chambers Ireland welcomes this forward planning and strategic thinking in relation to the FET needs of the country. We are pleased to have the opportunity to engage in this mid-term review of the Strategy and we look forward to continued engagement with SOLAS and the Department of Education and Skills in the future development of Ireland's FET sector.

The increased focus on employer engagement which has occurred under the current FET Strategy is extremely welcome and has already begun to tackle some of the skills mismatches in our economy, particularly within localities and regions. We have been encouraged by the Strategy's approach to encourage partnerships between industry and educational institutions. Businesses are on the front line of jobs creation and are often faster to respond to the evolving skills needs of the economy than other actors.

The identification of the need for increased provision of apprenticeships and traineeships was a positive achievement of the FET Strategy, along with the establishment of the Apprenticeship Council in 2014. The expansion of the scope and the increase in the number of traineeships and apprenticeships available in the last two years have been a positive change in the education landscape and is to be welcomed.

In addition to this, the establishment of the Regional Skills Fora has been a very positive development. The Regional Skills Fora have since their establishment played an important role in enabling information sharing across a wide variety of stakeholders on the skills needs of the economy and employment opportunities for learners. Many of the chambers in our network sit on a Regional Skills Forum and we are

pleased to see the progression and specialisation of each of the regions which is taking place as a result. Greater coordination between the Regional Skills Fora and the Regional Action Plans for Jobs should now be emphasised in order to have maximum impact on job creation in each region.

# Please identify the areas where FET Strategy implementation performance has lagged and the factors that have contributed to the lag?

Unfortunately Ireland continues to lag behind other countries in the participation of the workforce in lifelong education and training, a fact pointed out by SOLAS itself in the recent Lifelong Learning Report published by the organisation.

In today's fast paced economy and disruptive technological environment it is more important than ever that our education system is capable of maintaining a resilient and world-class workforce. This means engagement with training and education at various stages of a worker's career. Given the rapidly changing skills demands of a modern economy, further education, up-skilling and re-skilling are becoming par for the course in today's businesses. However, Ireland has lower levels of engagement in further education and lifelong learning when compared to other European countries and as pointed out by the European Commission in the Country Specific Recommendations for Ireland 2017, "Skills mismatches and skills shortages have emerged in certain areas, while upskilling and reskilling opportunities are insufficient".

A contributing factor to the low levels of engagement in life-long learning is the inaccessibility of many FET courses for small and medium sized enterprises. Through engagement with our Employment, Workplace and Skills Policy Council and our network of local chambers we find that many SMEs are either restricted from accessing or are deterred from accessing FET as a result of the administrative burdens which face them in applying.

In addition to this, many SMEs are unaware of the opportunities and options available to them under the FET Strategy and how these might benefit their companies. Greater emphasis is now required on the communication of the FET opportunities which exist for businesses, as well as how businesses can access FET.

### Are the FET Strategy 2014-2019 Goals and Objectives still relevant in the current economic environment?

Many of the goals set out in the FET Strategy remain highly relevant for learners and employers today and it is likely that this will remain the case up to 2019.

In particular, the goal of providing 'Skills for the Economy' is vital in order to ensure continued economic growth and wellbeing. In Chambers Ireland's recent survey of businesses, we found that skills gaps were among the top five concerns of Irish businesses looking ahead to 2018.

Similarly, the goal of active inclusion remains vital given that the youth unemployment rate stood at 14% in October 2017 according to CSO figures, and stands well above the national unemployment average of 6.1%

for the same month. Indeed, the European Commission has pointed to the fact that "the low work intensity of many households creates concerns that some people are left behind as the recovery continues", and as such, a continued focus on inclusion in FET will be necessary to prevent entrenched unemployment and exclusion from the benefits of Ireland's current economic growth.

Similarly, the goals of 'Integrated Planning and Funding' and 'Quality Provision' remain relevant and important components of the FET Strategy.

In relation to the 'Standing of FET', there should be an increased focus on changing attitudinal positions to FET as a viable option for students and employers. The current bias in favour of third level education at university level should be challenged, and apprenticeships and traineeships in particular must be promoted as alternatives to third level courses. The FET Strategy should work to change perceptions surrounding the sector amongst students, parents and employers and to highlight the benefits in particular of practical, on-the-job learning as excellent options in the education landscape of Ireland.

## Are there any Goals and Objectives which, if added, would enable the Strategy to better adapt to the changing economic environment?

Chambers Ireland would like to see an increased focus on the ease of access for small and medium sized enterprises to engage with skills and training providers. Feedback from our network and from stakeholders informs us that the administrative burden in accessing FET opportunities is too often a deterrent for SMEs. It is SMEs that stand to benefit the most from accessing FET courses and it should be a high level goal of the Strategy to increase the accessibility of FET for SMEs and to aim to ensure that there are as few restrictive elements in place as possible. An evaluation of the barriers which exist in accessing courses and training opportunities for SMEs should be undertaken.

In addition to this, increased awareness and communications of the opportunities available to businesses should be a focus of the Strategy. A campaign or an outreach project to inform businesses of the options available to them in FET, and to guide them on how best to access these opportunities, would be welcome. Greater emphasis is now required on the communication of the FET opportunities which exist for businesses, as well as how businesses can access FET.

#### What impact has the progression of the FET Strategy 2014-2019 had on your organisation?

Businesses benefit greatly from access to training and skills for employees and Chambers Ireland acknowledges the significant benefits derived from the Further Education and Training sector for both employers and employees since the launch of the Strategy.

The Chamber Network, which consists of 45 chambers located in every major town and city in Ireland, engage in a variety of ways with their business members on skills provision and on identifying skills needs in their local economies. Many chambers are represented on the Regional Skills Fora and engage with SOLAS, Skillnets, Local Enterprise Offices and other actors in developing training opportunities for businesses and learners alike.

Through Chambers Ireland's Employment, Workplace and Skills Policy Council in particular we engage with our members on the skills needs of their areas and we keep abreast of development in each of the Regional Skills Fora.

### What areas of the FET Strategy 2014-2019 should be prioritised over the next two years?

A continued focus on rolling out new apprenticeships and traineeships would be welcomed, along with the promotion of the benefits of such learning opportunities amongst learners and businesses.

In addition to this, the Strategy must focus on increasing uptake in life-long learning and the up-skilling or re-skilling of those in employment.

In support of the above goal, there should be an evaluation of the accessibility of FET for businesses and employees, with a particular examination of the administrative and cost burdens for SMEs in seeking FET opportunities. In addition to this there is a need for increased communications of FET options and their benefits amongst businesses.

Increased investment is required to engage more employees in lifelong learning and to address the skills gaps which exist within Ireland's workforce. In order to remain a competitive business environment Ireland must improve the resources available for the enhancement of our workforce through FET bodies such as Skillnets and Solas. The current division of the National Training Fund is not reflective of the wider economic environment and does not support the need to up-skill and invest more money in the education of those in employment. The NTF must be refocused in favour of education for those in employment, reflecting Ireland's current economic environment.

Chambers Ireland also supports an increase in the number of flexible FET courses and opportunities available which would give people the opportunity to attend courses part time, during evenings, in the summer and at weekends. This may be particularly useful for those in employment where further education requires flexibility in order to accommodate the work life of prospective students in employment.

To what extent has the standing of the FET Sector been enhanced over the last two years by the development and implementation of the FET Strategy 2014-2019?

**Significant** 

### Please use the text box below for any additional comments you may have

It is the view of Chambers Ireland that the current allocation of the National Training Fund (NTF) expenditure must be urgently reassessed and refocused.

The allocation of the NTF is not reflective of current employment trends. At present, only 23% of the National Training Fund is allocated for training of those in the workforce, while 77% goes towards training for those seeking employment. This is completely in contrast to the unemployment figures, which have

been steadily falling in recent years: there are now more than 2 million people at work for the first time since 2008 and unemployment is projected stood at 6% in October 2017, and the ESRI projects that the unemployment rate will average 5.4% in 2018.

With the increase in the NTF levy on employers' PRSI announced in Budget 2018 it is now more vital than ever that businesses and employers benefit from the significant contribution which they are making towards investment in education.