

**NESC REPORT NO. 6**

**COMMENTS ON THE OECD REPORT ON  
MANPOWER POLICY IN IRELAND**

**Price: £1.20**

# **NATIONAL ECONOMIC AND SOCIAL COUNCIL**

*Comments on the OECD Report on Manpower  
Policy in Ireland*

**NATIONAL ECONOMIC AND SOCIAL COUNCIL  
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- (ii) the attainment of the highest sustainable rate of economic growth.
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- (v) the balanced development of all regions in the country, and
- (vi) the social implications of economic growth, including the need to protect the environment.

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6. The Council shall have its own Secretariat, subject to the approval of the Minister for Finance in regard to numbers, remuneration and conditions of service.

7. The Council shall regulate its own procedure.

# NATIONAL ECONOMIC AND SOCIAL COUNCIL

## *Comments on the OECD Report on Manpower Policy in Ireland*

DUBLIN:  
PUBLISHED BY THE STATIONERY OFFICE

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(Pri. 4138)

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## PREFACE

On 4 October 1974, the Minister for Labour requested the comments of the National Economic and Social Council on *Manpower Policy in Ireland*, a report prepared by the Organisation for Economic Co-operation and Development. The Council's comments in response to the request from the Minister for Labour are set out in this Report.\*

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\*A draft of this report was prepared by the Social Policy Committee and discussed and amended by the Council at its meetings on 20 November, and 16 December 1974. The report was drafted by Catherine Keehan of the Council's secretariat.

## I. INTRODUCTION

1 In common with most other countries manpower policy gained increasing significance in Ireland throughout the 1960s, where, as elsewhere, it was closely linked with the objective of full employment. A major indication of the importance of manpower policy came with the publication of the NIEC Report on Manpower Policy in 1964. This document defined manpower policy, set out the reasons why such a policy was required in Ireland and recommended the establishment of a number of institutions and procedures for its implementation.

2 In the decade which has passed since the publication of that report, there have been a number of major developments:—

—An inter-departmental Committee was established by the Government to examine and report on the administrative arrangements for implementing manpower policy. This Committee reported in 1965.

—A Government White Paper on Manpower Policy was published later in the same year. This laid down the main elements of an active manpower policy as follows:—

- (a) forecasting of changes in the supply of and demand for labour;
- (b) arrangements for training and retraining of workers;
- (c) provision of redundancy payments schemes;
- (d) establishment of a scheme for resettling workers who have to change their location in order to find suitable work;
- (e) development of an employment service;
- (f) assignment to one agency of overall control and direction so as to ensure a co-ordinated and coherent approach to the problem as a whole.

- The Department of Labour was established in 1966. This department was given responsibility, among other things, for the implementation of manpower policy.
- AnCO—The Industrial Training Authority was established in 1967. This body is directed by a council which reports to the Minister for Labour and on which employer, trade union and educational interests are represented, and it was given responsibility for all aspects of industrial and commercial training. Agricultural training is specifically excluded under the 1967 Industrial Training Act from AnCO's brief.
- Redundancy Payments Schemes were introduced by legislation in 1968 and were improved and extended in 1971 and 1974.
- The National Manpower Service was established in 1970, under the control of the Department of Labour. The NMS took over the role of job placement from the Employment Exchanges, and also started a guidance service for job seekers.
- The OECD were requested, in 1971, to examine and report on manpower policy in Ireland. Their report was published in October 1974.

3 The OECD Report on Manpower Policy in Ireland is one of a series on manpower policy in a number of OECD countries. The examination of the Irish situation was carried out by a team of three examiners, who reported initially to the Manpower and Social Affairs Committee of the OECD. Several bodies in this country submitted their views to the examiners, and the Department of Labour supplied them with a substantial amount of background information. The OECD document, which contains the Examiners' Report, and the conclusions of the Manpower and Social Affairs Committee, is summarised in the Appendix to this document.

4 In the following sections of this document, we comment on the concept and role of manpower policy within the total framework of economic and social policy; we discuss a number of aspects of industrial training; we suggest some changes in the structure of existing institutions used to implement manpower policy, and finally we comment on some detailed aspects of the OECD report.

## II. THE ROLE OF MANPOWER POLICY

5 There are two ways in which manpower policy can be viewed. On the one hand, it can be seen as a collection of instruments by which certain targets set by other policies can be reached. That is, manpower policy is essentially a "reactor" to policies formulated elsewhere—e.g. training a specified number of people for jobs of a certain type, created as a result of the implementation of regional or industrial policy. On the other hand, manpower policy in all its aspects can be regarded as an integral element in the mix of policies needed to achieve economic and social development.

6 Manpower policy in this country has been seen mainly in the former context. It has reacted to policies of job creation formulated elsewhere, and has too often been used to deal with the consequences of employment policies formulated and implemented without either adequate manpower information or sufficient examination of their manpower implications. Furthermore, manpower policy has been viewed to date from a purely economic point of view. This is aptly illustrated by the definition of manpower policy contained in the NIEC report:—

"Manpower policy is an integrated set of measures designed to make the employment market operate efficiently . . . a primary aim of manpower policy is to improve the efficiency of the employment market by stimulating and speeding up the adaptation of labour to economic changes".\*

7 We do not believe that this concept of manpower policy is adequate. The current role and definition of manpower policy needs to be reviewed in the light of the changes that have taken place in the economy since the NIEC Report was published. First, economic development has been given a more explicit social dimension. This is

\*NIEC Report on Manpower Policy, 1964, p. 8.

clear from the Third Programme for Economic and Social Development, which stated that " a rise in economic prosperity is of little value for its own sake, it is only valuable if it makes possible, and is used for, an improvement in the quality of life ".\* If economic policy has a social dimension so also must manpower policy. The OECD Report on Manpower Policy in Ireland adds this dimension when it states that manpower policy should also " seek to provide each individual member of society with the possibility of attaining the situation which he conceives as the most advantageous in terms of personal satisfaction from work and real income ".† This is reinforced further by the ILO which states that " there is an acute need to shape and define labour and employment objectives in such a way as to be able to keep up with increasing requirements stemming not only from the rapid rate of technological, social and economic changes, but also from the increasing pressure of human aspirations for a better life ".\*\* The ILO further states that " labour and manpower policies are relevant to development planning not only because the ultimate goals of economic development are social, but also because social institutions, if given adequate consideration, can be used to promote development ".‡

8 In the Irish context, manpower policy must be re-defined to give equal importance to both its economic and social dimensions and objectives.

9 Manpower policy must be regarded as an integral and essential part of general economic and social policy. The aims must be to provide enough acceptable jobs at adequate reward for all who seek them, and to ensure that workers get satisfaction in their work. It is only in this context that manpower policy can make an effective contribution to economic and social development, and help people to cope with changing economic and technological circumstances. Manpower policy, has, therefore, in conjunction with other policies, the responsibility of

\*Third Programme for Economic and Social Development, 1969, p. 7.

†OECD Report on Manpower Policy in Ireland, Paris 1974, p. 12.

\*\*Role, Functions and Institutional Development of Labour Administration (a working paper for a meeting of experts on Labour Administration), ILO Geneva, 1973, p. 11.

‡*ibid.*, p. 14.

creating both the right quantity and quality of jobs, and workers properly trained to fill them.

10 Manpower policy also has a role to play in the maintenance of the social fabric in rural areas. The problem of the supply of an adequate and properly trained work force in these areas must be considered. In particular, the educational characteristics of workers both now and in the future must be taken into account. To this end, there must be close integration between manpower and education policies: it would be undesirable if education were mainly geared to the needs of those who will leave rural areas, with manpower policy left to cope with those who remain. Such a situation would create fundamental social problems in the less developed regions of the country. Continuous efforts are, therefore, necessary to narrow any divergence of aims and policies between education and manpower. We are, of course, not arguing that the education of young people should be geared solely to their working lives. Nevertheless, the type of education they receive in school has a fundamental role to play in equipping them for jobs in adult life. It is vital therefore, that manpower and education policy should be closely linked. The gap between the two is not unique to this country. It is in fact a problem in most OECD countries.

11 Changing the aims of a policy means reviewing the institutions through which they are implemented. The definition of manpower policy outlined above raises basic questions about the role of institutions in general, and of the Department of Labour in particular. The OECD Report points out\* that the Department has no effective role in formulating policies for job creation and that it is expected to implement policies it has had no say in creating. We agree with the OECD that this role is inadequate. If manpower implications are to be given due weight in general policy-making, then the Department of Labour must have a responsibility equal to that of other government departments in the formulation of employment policy. It is as important to attract jobs that suit people as to prepare people to suit the jobs. In the ILO's words: " labour administrators as well as manpower planners should be associated in the decisions that have a considerable effect on the supply and demand of labour and on conditions of employment

\*OECD Report, p. 33.

generally (e.g. treasury decisions on monetary and fiscal measures, and decisions concerned with implanting new industries and with regional development) ”.\*

12 If it is to make a more effective contribution to employment and manpower policy, the Department of Labour must have adequate resources as the OECD Report suggests. The two most important of these are adequate information and specialised staff. We deal with information collection in a later section. Suffice it to say here that we believe that all manpower information should be channelled into the Department where it should be processed for use in the formulation of economic and social programmes. With regard to staff, the Department should, as suggested by the OECD Report, have a planning unit, which is adequately equipped with qualified staff. We visualise that the unit would engage in processing manpower information on an on-going basis, identify areas for the research to be carried out, and evaluate its results.

13 A changed role for manpower policy also has implications for the other institutions concerned with its implementation. These are dealt with in Section IV.

14 In summary, we believe that the purpose of economic development must be not merely the production of more material goods, but also the improvement of the quality of life. This means the creation of jobs which provide satisfying work and realistic pay for all those who seek it. It means also that the quality of jobs must be given proper consideration. To achieve this, enough jobs must be created to provide jobs not only for those entering the labour market for the first time but also for those currently in jobs affected by technological change. Manpower and education policies must be closely linked, in order that people can be properly prepared for jobs in their own areas. Finally, adequate training must be provided for all new job seekers and for those wishing to up-grade their skills in order to get better jobs. All this requires an overall policy to create new jobs and to prepare people for those jobs. This in turn means that the Department of Labour must be fully involved in all aspects of policy making which impinge on job creation.

\*I.L.O. discussion document, p. 15.

### III. INDUSTRIAL TRAINING

15 Industrial training is an integral part of manpower policy. There are several aspects of training *per se* which merit special attention.

16 One of the functions of manpower policy is to train people for jobs which are available or are likely to be created, and to cater for those who need retraining due to technological change or who wish to obtain better jobs. It is not only in agriculture that old jobs may be lost—and not only in industry that new jobs may be created or appear. The term “industrial training” is, therefore, too narrow. Perhaps the term “vocational training”,—a term more commonly used in the European Economic Community and the ILO—would be more appropriate.

17 It is worth stating the purpose of vocational training, so that its relevance to economic and social policy in general and to manpower policy in particular, is clear. The EEC Council of Ministers stated in July 1971 that:

“the objectives (of adult vocational training) should be to provide the population as a whole with the opportunities for general and vocational education, further education, and lifelong education, which will adequately allow individuals to develop their personality and follow a skilled occupation in the economy of which the needs are constantly changing”.\*

This is the context in which vocational training in Ireland must be evaluated and these are the objectives that it must be developed to achieve. Vocational training has both an economic and a human aspect, and, therefore, plays an important role in economic and social development. Its elements should include:

\*Conclusions reached by the Council of Ministers from the exchange of ideas on the problems of adult vocational training as an Instrument of an Active Employment Policy, 26 November 1970.



- basic training for those entering the labour force or re-entering it after a period away from work;
- training to enable workers to change their occupations or reach higher levels of skill or responsibility;
- on-going training to ensure that the skills of those in employment keep pace with changing technology and the changing needs of the economy;
- retraining for those who for any reason find themselves unemployed; and
- life-long education for the development of the person.

18 In its document "Training for Individuals—expansion programme 1974-1978", AnCO recognises these aspects with regard to industrial training. AnCO proposes to expand its facilities so that its training centres will have an annual throughput equivalent to 1% of the labour force—a figure accepted as the minimum national training effort by OECD. The same document also mentions the needs of special groups in the labour force—the young unemployed, elderly workers, and handicapped people. AnCO made it clear in its proposals that the present facilities are inadequate to cope with current demands.

19 There are two prerequisites for AnCO's proposed expansion—adequate resources and sufficient information. The pace of economic development will in future be affected materially by the effectiveness and scale of facilities provided for vocational training. Since national resources are scarce, they must be used as efficiently as possible. Hence, care should be taken to ensure that all existing resources are fully utilised before new ones are established. This is particularly relevant to co-operation between AnCO and educationists and the educational system.

20 The problem of information is also important. We agree with the criticisms of the OECD Examiners concerning the methods used to collect and analyse manpower data in Ireland. No national training

agency can hope to make plans for training unless it has adequate information about current and possible future training needs. Special attention should, therefore, be paid to the collection, processing and the use of the manpower information on which policies and training programmes must be based.

21 Although a great deal of the training carried out by AnCO is now financed through the European Social Fund, the cost of vocational training is still a major burden on the State. Where public money is involved, we believe that a periodic assessment of training should be carried out by a body other than that doing the training.

22 There are four further aspects which merit comment:—

- (a) training for agriculture—a topic with which the OECD Report deals only briefly;
- (b) skill shortages—with which the OECD deals at some length;
- (c) training for women;
- (d) training for services.

**(a) Training for Agriculture**

23 Agriculture must be regarded as a growth industry and one in which skill is as necessary as in other industry. The rate of technological change is at least as rapid in agriculture as that occurring elsewhere. Thus, while the numbers directly engaged in agriculture are decreasing, and will continue to do so, the need for higher levels of skill is increasing. Historically, training for agriculture has been treated separately from industrial training (It is in fact specifically excluded from the responsibility of AnCO under the Industrial Training Act, 1967). Training for farmers is the responsibility of the Department of Agriculture and Fisheries, which executes the bulk of its function in this regard through the advisory services of the County Committees of Agriculture, the Agriculture Colleges and the Farm Apprenticeship Board. The Department has also prepared a scheme for persons

engaged in agriculture to comply with Directive No. 72/161/EEC which will extend the scope of this training. Proposals for the re-organisation of the advisory service have been submitted to the Government, but no decision has been issued as yet.

24 There are three separate aspects of training with regard to agriculture. The first is training of those who are leaving agriculture. Under this heading can also be included small farmers who take up industrial employment, while at the same time continuing to operate their farms. This is being catered for at the present time by AnCO, and by the training schemes of individual firms who recruit ex-agricultural workers and farmers. The second is training for the farmer and his family and employees in modern agricultural technology and in farm economics and management. The final aspect is management training for farmers who are involved in "agri-business" through their shareholdings in co-operatives. It is on these last two we wish to concentrate.

#### *Training for the farm*

25 According to the 1971 Census, there were nearly 290,000 people engaged in agriculture in that year, of whom nearly 39,000 were aged between fourteen and twenty-four years. In 1973-74 there were 167 farm apprentices or trainees registered with the Farm Apprenticeship Board. In addition there were 600 young people attending one-year courses at Agricultural Colleges. We understand, however, that only about one-third of those graduating from these colleges go back into farming. Most of the others find employment in businesses and services ancillary to agriculture. The Agricultural Advisory Service operates an educational programme of classes and lectures in many aspects of agriculture, horticulture and farm management. There are, however, wide inter-county differences in the number and variety of courses given, due to varying local needs and demands. In our view the importance of agriculture to the economic and social development of the country requires that adequate training should be provided for farmers and their families and employees. We believe that strenuous efforts should be made to attract greater numbers of young people, whose future lies in farming, to attend agricultural colleges and to participate in apprenticeship training. A sufficient number of county agricultural

advisors should be available to devote enough of their time to educational activities to meet local needs. The training which these advisors receive in teaching and advisory methods should be extended where necessary.

26 One further point is worth mentioning, with regard to farmers' training. We believe that to some extent the lack of development in agricultural training is due to the lack of enthusiasm among many farmers for the training which does exist. There is a belief among some farmers that those who have been born and bred on farms do not need any training other than that which they get from their parents. While we would not wish to deny the value of such training, nevertheless, we believe that it needs to be supplemented with further continuing education in agricultural technology and farm management. Serious efforts should, therefore, be made to improve the attitude of the farming community towards training.

#### *Training for "Agri-business"*

27 In a report\* published by the National Science Council in 1972, it was stated that co-operatives in 1971 had a turnover of some £278 million. The co-operatives' share of "agri-business" is therefore extremely important and it is essential that those who manage and/or control them should have the training required to do so efficiently. For a number of years the IAOS ran management training courses. These were discontinued as the process of rationalising the co-operatives developed. We were, therefore, encouraged to learn of the establishment by the IMI, in co-operation with the IFA and the IAOS, of courses for members of committees of co-operatives. We believe that the expansion of such courses is essential, and that the same encouragement should be given to farmers involved in the management committees of co-operatives to attend training courses as is given to people holding similar positions in industrial companies.

28 There is now a multiplicity of agencies involved in the field of agricultural training, as well as in research and development. Their activities do not seem to be either related properly to each other or to

\*Irish Agriculture: A decade of development: National Science Council, Dublin 1972.

be adequately co-ordinated. If agricultural training is to have importance it deserves then serious consideration must be given to the establishment of a national Agricultural Training Agency, which would have responsibility for advising on the development and implementation of training for all aspects of agriculture. Such an agency should be responsible to the Minister for Agriculture and Fisheries and should be directed by a board consisting of representatives of farmers' organisations, farm employees, the IAOS, AnCO, the Agricultural Institute, the Universities, and the Department. It would be desirable that there should be close co-operation between it and AnCO and the IMI, so that each could draw on the expertise of the others. Consideration should also be given to developing incentives for those engaged in agriculture to encourage them to undergo training.

**(b) Skill Shortages**

29 There is evidence of shortages of skilled workers in a number of trades, and it is clear that if present trends continue over the next few years, these shortages will become so acute as to threaten the economic expansion which the country needs. The OECD Examiners recognised this position, and stated: "A high priority for training and re-training is necessary for the economic changes which are an integral part of the Irish growth strategy in the 1970s and beyond. If maximum expansion of the economy is to be achieved it is vital that skilled labour should be available to meet the needs of expanding Irish industry and to complement the fiscal investment incentives being offered to attract new industry. Doubts about the availability of trained labour will hamper these developments and it is vital, therefore, that manpower policy and training in particular should be accorded its true role in the expansion programme".\* The current shortage of skilled labour is at least partly explained by lack of information concerning the manpower requirements of new and expanding industry, and a lack of training facilities to cope with such shortages when they do come to light. This reinforces the point made earlier that proper information must be collected by the appropriate bodies and passed to a central agency for processing.

\*OECD Report on Manpower Policy in Ireland, p. 57.

30 There are two aspects of the problem of training skilled workers—first, meeting the needs of existing firms, and second, meeting those of new firms. The fact that the needs of the latter may on occasion be met by recruiting trained workers from the former may complicate the issue. Another of the problems associated with skill shortages is the system and duration of apprenticeship training. Traditionally the recruitment of apprentices has been the responsibility of individual employers, and AnCO's role in this regard has up to now been relatively minor. However, the number of apprentices now in training will not be sufficient to meet the future needs of industry. The length of apprenticeship training is an associated problem. The OECD comments\* on this:

"existing apprenticeship schemes are of long duration in relation to the level of skill aimed at. For this and other reasons they are unlikely to be satisfactory as a sole source of the supply of the skills needed by the expanding economy".

31 We are aware of the fact that AnCO is studying the question of skill shortages, and that it is also reviewing the apprenticeship system. As well as training over 6,000 adults to a high level of skill up to August 1974, it has also recruited and trained over 1,000 first year apprentices and subsequently placed them with employers.

32 However, serious skill shortages will halt economic expansion, and the measures currently being taken by AnCO may not be sufficient to solve the problem. Other steps will also be needed, for example accelerated training in AnCO centres, the attraction back to Ireland of emigrants already possessing the required skills, incentives to encourage skilled workers to move to the places where their skills are in short supply (and this requires the assurance of satisfactory housing), and a realistic assessment of the basic level of skill required for particular jobs to be done effectively. Skill shortages might also be eased if women were acceptable as eligible for training in skills from which they are now effectively excluded. This problem is discussed below.

\*See OECD Report on Manpower Policy in Ireland—Conclusions of the Manpower and Social Affairs Committee, pp. 18–19 and the Examiners report, paragraph 6.15 *et seq.* for an expansion of this.

33 The solution of the skill shortage problem needs both the co-operation of all the bodies concerned with defining and solving the problem—AnCO, the IDA, the NMS and employers and unions—and enough resources, both financial and otherwise. We urge that steps be taken soon to ensure that these prerequisites are there. In particular, we recommend that the negotiations on AnCO's discussion document on apprenticeship—published over 18 months ago—should be concluded as soon as possible. Moreover, it is important that AnCO be facilitated in putting into effect the plans outlined in its Expansion Programme 1974-78.

34 Apprentices and other industrial trainees are in the same age group as those who enjoy "free" secondary education. The acquisition of a skill that happens to be called a trade is every bit as important as the acquisition of skills that are prerequisites for entry to a trade that happens to be called a profession. The degree to which the State assists the former is far less than the degree to which it assists in the education of the latter. This is a matter for fundamental concern, because it must help to maintain indefensible inequalities in our society.

#### (c) Training for Women

35 A considerable amount has been written in recent years on the role of women in the labour force.\* All the literature points out the very low participation rate of females (and particularly of married women) in the labour force. The OECD Report comments, for instance, that female participation rates in Ireland are among the lowest in the OECD and that "there is a considerable pool of untapped potential female labour in Ireland". According to the 1971 Census the female participation rate was 25.7%, of which 8% were married women.

36 Major causes of the low participation rate of females in the labour force may lie in women's concept of their role and the present cultural environment, as well as in the priority that has been given to providing jobs for men. But other important causes are the lack of

\*c.f. Report of the Commission on the Status of Women: December 1972 and Walsh: Aspects of Labour Supply and Demand, with Special Reference to the Employment of Women in Ireland (Read before the Statistical and Social Inquiry Society of Ireland, 7 May 1971).

opportunities for women to obtain certain kinds of jobs at skilled level, and the difficulties faced by those married women who wish to re-enter the labour force. These difficulties are caused at least in part by the inadequacy of training facilities for women. The OECD, in its Review of Ireland published in March 1973 stated:

"More training of female labour is likely to become an especially important need as female redundancies in traditional industry are likely to become an increasing problem; it has been suggested that low female participation rates in part reflect lack of opportunity and that the female labour force could, therefore, be increased substantially . . . an intensification of (training/retraining) efforts particularly with regard to female labour, would be welcome."

37 The report of the Commission on the Status of Women, which was published in December 1972, comments in detail on both the lack of opportunities for women, and on the lack of training facilities for them. It mentioned particularly the bar on women becoming apprentices in most crafts. In our view it does not make either economic or social sense to limit the crafts and skills for which women can be trained. We fully endorse, therefore, the recommendation of the Commission on the Status of Women that the existing restrictions on the entry of women to skilled occupations which are exclusively male at present should be removed. We also agree with their view that:

"every effort should be made by the vocational educational authorities and AnCO to investigate ways in which mature women could be trained to undertake skilled or semi-skilled employment and to make such training available".

38 Although it is now nearly two years since the Report of the Commission on the Status of Women was published, little appears to have been done to implement it. AnCO, for instance, in its programme for the expansion of training facilities, merely quotes the Commission's report. Moreover, AnCO's apprenticeship document contains no positive suggestions as to how the restrictions on women becoming apprentices might be lifted.

39 Great benefits would be gained from women playing a more active role in the labour force. The status of the Commission's report is obscure: for example, it is not clear whether all or any part of those recommendations that require Government action have been accepted by the Government. It is important that the report's status should be clarified, and action taken by Government and the other agencies and interests involved to implement its recommendations.\*

40 However, to discuss training for women in the terms of this section is to approach the problem on what appears to be the traditional implicit assumption—namely, that women are different from men in the economic and social roles which they can play. The only approach that is ultimately acceptable is one which accepts that in all matters women should have identical opportunities with those open to men and that any provisions for vocational training should apply equally to both women and men. To move from the present situation in which women are discriminated against will require a period in which women receive especially favourable treatment.

#### (d) Training for Service Industries

41 The OECD Report on Manpower Policy states that 44.5% of the work force is engaged in service industries, and that this proportion is increasing by 1% per annum. However, training for service industries was dealt with very briefly by the OECD examiners. This may have reflected the difficulty in dealing with training for these jobs as a unit, because of the wide variety of occupations involved. We believe, however, that a review of training for non-professional service occupations, and more particularly for the distributive industries, should be undertaken by AnCO.

\*Since this document was approved by the Council, the Minister for Labour, Mr. Michael O'Leary T.D. made a speech, during the course of which he said: "The Government . . . has already indicated general acceptance of the recommendations contained in the Final Report of the Commission of Inquiry on the Status of Women" (Address by the Minister at the inaugural lunch of the Women's Representative Committee, 20 December 1974.)

## IV. INSTITUTIONS FOR THE IMPLEMENTATION OF MANPOWER POLICY

42 The discussion of the role of manpower policy in Section II has important implications for the institutions and procedures needed to implement it. The NIEC suggested that manpower policy should have four major components:—

- Employment forecasts
- An efficient employment service
- Retraining and Resettlement
- Location of Industry.

To these we would add a fifth component: close, continuing and effective co-operation between all those concerned with the formulation and implementation of manpower policy. This co-operation should involve not only government and semi-state agencies but also both sides of industry. We do not feel that such involvement implies merely consultation with these groups. They must also be involved in and committed to both policy making and its implementation.

43 The NIEC in its Report on Economic Planning, published in 1965, made a comment which is particularly apt in this context:

"(economic) planning is essentially tripartite in character; management and unions must be involved in the planning process. Involvement by itself presents no problems. . . . There is a danger, however, that participation may be desired solely for the opportunities it offers to influence Government decisions and that the responsibilities which go with it may be ignored. When representative bodies participate with Government in reaching an agreed recommendation or decision they must explicitly accept some responsibility for the implementation of the recommendation or decision".\*

\*Report on Economic Planning, NIEC Report No. 8, 1965.

Those involved in the making of a decision cannot (and should not seek to) escape responsibility for and commitment to its implementation. This is relevant not only with regard to economic planning, but also if not more so, in the area of manpower policy. An effective manpower policy needs the active support of government, employers and trade unions, who should act in concert to attain the objectives of such a policy, not as ends in themselves, but as means by which general economic and social progress can be maintained.

44 We believe that one of the major problems facing the implementation of an effective manpower policy in Ireland is the number and diversity of the institutions and procedures involved. This is clearly pointed out in several parts of the OECD Report\*, which comments on the lack of formalised communication and co-ordination between them.

45 The Government Department directly concerned with manpower policy formulation and implementation is the Department of Labour (which includes the National Manpower Service). Two other Departments are necessarily involved—Finance and Industry and Commerce. There are other government departments—e.g., Education, Local Government and Agriculture and Fisheries, whose activities have a lesser impact on these policies. As well as these Government Departments, there is a number of other bodies, both semi-State and private, which have interests in this field—the IDA, AnCO, the trade unions and employer organisations, to name but a few.

46 Informal communication takes place between all of these. While this is in many respects more efficient than formalised procedures, we do not have the detailed information to establish whether these arrangements are adequate, given the increasing complexity of the matters involved. There is also a need to involve non-State bodies more fully in the policy making and implementation process. However, it must be recognised that different Departments and agencies will be interested to differing degrees in the various aspects of manpower policy. This adds to the importance of ensuring that their activities are efficiently co-ordinated.

\*c.f. Sections II, III and V of the Examiners' Report in the OECD Report.

47 We endorse the recommendation of the OECD Report\* that the Department of Labour play a more central role in the formulation of economic and social policy in general, and manpower policy in particular. We also agree with the recommendation of the Examiners that the Department be strengthened by the establishment of a specialist planning unit, which would act as the clearing house for all information on manpower and which would be capable of taking an overview of policy-making in the area.

48 At present the National Manpower Service is an integral part of the Department of Labour, while AnCO is a semi-independent agency with its own council. In our view, these may not be the best arrangements for implementing manpower policy. There are two alternatives to the present structure. The NMS might be left with its present status and structure, and AnCO brought into the realm of responsibility of the Department of Labour, thus giving it the same standing as the NMS. Alternatively a National Manpower Commission might be established, with a council which would consist of representatives of Government Departments, employers and trade unions, and responsible to the Minister for Labour. AnCO and the NMS would then become executive agencies of this commission. This latter alternative would give both workers and employers an influence on the formulation of manpower policy, put them in a position to express their commitment to it and accept responsibility for its implementation. Such a suggestion would require a radical change in the present structure. However, it should be given serious consideration by all those concerned including the Departments of Labour and the Public Service. The staffing structure of any new arrangement would also have to be examined. The primary requirement is to have policies that are formulated with sufficient information and support, so that they will in fact be carried out.

49 There is no point in creating structures at national level for the formulation and implementation of manpower policy unless there is a complementary regional structure. Currently, there are three different

\*OECD Report, p. 34.

agencies—the NMS, the IDA and AnCO—operating in different regions of the country, and usually operating from separate offices in the same town. This is not only wasteful of resources, but also endangers efficient co-ordination between the bodies concerned. While the aims and operations of these agencies differ, nevertheless there is a need for close co-operation and co-ordination—particularly in the field of information—between them, so that they can each carry out their functions efficiently. Consideration should, therefore, be given to the establishment of machinery at regional level whereby those agencies closely involved in manpower and regional policy can work more efficiently together.

## V. COMMENTS ON THE OECD REPORT

50 The OECD Report consists of an Examiners' Report, and the conclusions of the Manpower and Social Affairs Committee of the OECD, which were based on the Examiners' Report. We propose in this section to comment on the document as a whole, and then to deal with the specific conclusions of the Manpower and Social Affairs Committee (referred to hereafter as the OECD Committee).

### (a) The Report as a whole

51 While it is very useful to have a group of international experts review our manpower policy, the NESC would question the validity of some of the conclusions in the Report.

- (i) Some aspects and conclusions are no longer relevant to the current situation in Ireland. This is in part caused by the fact that the examiners were working on 1971-72 data supplied by the Irish authorities. While these may have been relevant at the time, the rate of change over the past few years has been such that conclusions based on these are not necessarily applicable today. For example, the Examiners' report assumes that the downturn in Irish emigration was probably a temporary one, caused by the depression prevailing in the British economy. As events have developed, there has in fact been a net inflow into this country in recent years. Whether or not this continues will depend on the relative performance of the Irish economy. If it does, it will be necessary to deal more extensively with emigration and internal migration and their implications for manpower policy.
- (ii) In paragraph 1.20 the Examiners discuss the effectiveness of the current Irish development strategy, and its impact on the development of domestic entrepreneurial activity. However, it may be overstating the case to claim, as the Examiners do,

that the incentives used to develop Irish industry are mainly used by foreign entrepreneurs. The most recent IDA annual Report (for the year ending March 31st 1974) states that 41% of new job approvals came from domestic firms. New foreign firms are more likely to be export oriented and therefore benefit from the tax relief on export profits. This is an important incentive for attracting new industry to Ireland and must be retained. It may now be necessary to review the tax paid by firms which supply primarily the home market, in view of the completion of the phased tariff reduction under the Anglo-Irish Free Trade Area Agreement. Maintenance of home market share is of equal importance to the development of exports.

- (iii) Another aspect of this discussion is the fact that while the OECD Examiners question the efficacy of the current industrial incentive schemes, they do not discuss alternative methods of developing domestic entrepreneurial activities. Other possibilities are an extension of the role of State and semi-State bodies and the importance of the co-operative movement.
- (iv) We were disappointed to note that some aspects of manpower policy to which we attach importance were not discussed in greater depth in the OECD Report, for example, the role of women in the labour force; the problem of skill shortages, both present and future; training for agriculture, and training for the self-employed, and training for service industries.\*

**(b) Conclusions of the OECD Manpower and Social Affairs Committee**

- 52 (i) The OECD Committee stresses the importance of manpower policy in the general context of economic and social planning,

\*Certain points made by the Examiners—for example, the constraints that might be placed on the economy by the maintenance of parity with sterling, the use of regional employment premia and the role of the Government in income determination—are not commented on here, because they will be discussed in the course of work now being done in the Council's Committees.

and recommends that the Department of Labour, as the chief department responsible for the execution of manpower policy, should have a much greater say in job creation policies. We fully endorse this view.

- (ii) We have earlier indicated that the executive agencies involved in the execution of manpower policies need to be rationalised and strengthened at national and regional level. This is also the view of the OECD Committee.
- (iii) The OECD Committee stresses the importance of co-operation between the social partners, in the formulation and execution of manpower policy. We have already stated our agreement with this principle. For such co-operation to work, however, all parties will have to be prepared not only to have a positive attitude to manpower policy, but also—on occasion—to acknowledge and accommodate interests other than their own, and especially the overall interest of the community. Mutual trust and open thinking are also essential. Such elements have not always been a feature of policy-making in the past, but the implementation of a successful manpower policy is a vital one for a satisfactory rate of progress and thus a change of attitude to co-operation is somewhat overdue.
- (iv) The OECD Committee comments on the importance of the relationship between education and training, and suggests that there should be an exchange of plans and experiences, so as to achieve a “reconciliation of policies and programmes”. We would go further than this, and suggest that the nature of the relationship between the two needs close examination and reform. There is too wide a gap between the policy and operation of the two government departments which control education and training. It is understood that this phenomenon is not unique to Ireland and that it is a feature of the administration of OECD countries generally. Put at its simplest, the purpose of both education and training is to prepare people for life and work. There is thus an element of training in education, and of education in training. We believe therefore that there should be closer co-ordination of the planning (both



at national and regional levels) and pooling of resources of both departments, particularly in the provision and use of physical facilities and human resources. The importance of the role of teachers in training and education cannot be over-stressed.

- (v) The OECD Committee criticizes the AnCO levy/grant scheme and suggests that some form of extra grant or subsidy which would be financed out of general taxation or by a differentiated tax on industry's wage bill, might more appropriately serve the long-term training needs of the country. We understand that AnCO currently have the levy/grant scheme under review. The manner in which training is financed has social as well as financial implications.
- (vi) AnCO's dual approach to training, which caters for both adults and apprentices, is commended by the OECD Committee. They question, however, the duration of apprenticeships, and suggest that they are too long in relation to the skill level aimed at. We are aware of the fact that AnCO is currently reviewing the duration of apprenticeship, and in the light of the possibility of skill shortages we have already discussed (Section III) we urge that they publish their recommendations as soon as possible. We also suggest that the method of training apprentices needs examination.
- (vii) In examining the operation of the National Manpower Service, the OECD Committee concludes that its most pressing needs are much improved manpower information and access to a properly equipped research and information unit. This is a theme which runs through the entire OECD Report, and one to which we have already referred. A very important element in any planning or policy-making process is sufficiently relevant information. The problem in Ireland at present appears to be that manpower information is collected in a rather patchy fashion by a variety of agencies. Too frequently, the data from these sources are not comparable, and in any event are out of date before they are published. We strongly recommend that the whole question of manpower data be

reviewed as a matter of priority, and that responsibility for the co-ordination and analysis of such data be given to a central agency. A planning unit in the Department of Labour is the obvious place for the location of such a responsibility. The problem of getting adequate information for decision making is one of long standing in this country.

- (viii) The OECD Committee recommends that AnCO should develop an advisory and consultancy organisation. We believe that training advice and consultancy should be associated with advice on business planning. We would therefore recommend that the role of AnCO should be limited to advice on operative training methodology. Other organisations, such as the Irish Management Institute, Irish Productivity Centre and private business consultants are already available to provide assistance in general business planning. We also believe that any advice provided should be paid for.
- (ix) The OECD Committee recommends that the primary responsibility for providing industrial training should, in time, pass largely to the employers who benefit from it. With this end in view, appropriate incentives should be provided to stimulate increased training activity by larger firms, and also, group training schemes by a number of firms within the same industrial sector.

## VI. CONCLUSION

53 There are four main themes running through this document—the importance of manpower policy in relation to social and economic progress; the need for co-operation by all parties concerned; the need for sufficient resources, in terms of money, people and structures; and the vital necessity for information. We are not satisfied that enough attention is paid to any of these factors. Manpower policy is regarded almost as an afterthought relative to other policies. The consultation process, where it does exist, is slow and cumbersome. Such resources as are devoted to the implementation of manpower policy are not used in the most efficient way, because of the diversity of structures and institutions used to that end. Finally, information gathering techniques require reform and rationalization.

54 This situation can be remedied only by a fundamental change in attitudes to manpower policy. The publication of the OECD Report gives an opportunity to all concerned to carry out some basic re-assessment of attitudes.

## APPENDIX: SUMMARY OF THE OECD REPORT

### A: Conclusions of the Manpower and Social Affairs Committee

The Manpower and Social Affairs Committee of the OECD state, in their introductory remarks, that Ireland can be characterised as a country with considerable reserves of labour in the form of the unemployed, the under-employed and a low female participation rate. This, they say, is not an indictment of present manpower policies but rather an indication that there may be a need for greater emphasis on other policies which are designed to increase capacity and raise the level of demand.

The Committee believes that the development of manpower programmes should proceed simultaneously and in co-ordination with preparation of other plans for economic changes. It believes that such integration requires special emphasis as Ireland continues its programmes of accelerated development in an increasingly integrated community.

On the role of national manpower policies, the Committee states that they are directed towards two objectives:

“on the one hand they seek to provide each individual member of society with the possibility of attaining the situation which he conceives as the most advantageous in terms of personal satisfaction from work and real income; on the other hand they aim at smoothing the course of economic development by promoting the better matching of demand and supply in the labour market. They are thus a part of both economic policy and social policy in the ‘welfare’ sense of the term”.

In view of the centrality of the role of manpower policy the Committee believes that the department responsible for such policies should play a major role in general policy making, and that this department—which should be the Department of Labour—should be adequately equipped

with staff engaged in work of research and planning to meet various economic activities. It, therefore, endorses the recommendation of the examiners in this respect. It also recommends that the Department of Labour should have a strong voice in the work of the IDA and other agencies concerned with job creation, in view of the importance of the employment aspects of the development work of these bodies.

The OECD Committee comments in detail on the problem of centralisation versus decentralisation or "hiving off", and supports the Devlin Report in its recommendation that the criterion to be used in deciding whether any particular service should be "hived off" is whether or not the function is one of policy making or policy execution. The advantages of removal of the executive agencies are said to be:

- greater flexibility of expenditure
- greater freedom to develop appropriate services
- possibility of recruiting staff outside the civil service
- freedom from complex procedures arising from detailed parliamentary control.

The OECD Committee comments favourably on the effect which "hiving off" has had on AnCO and the IDA and feels that the NMS should be similarly treated. At the same time, the Committee recognises that there is a possible disadvantage in this policy in so far as the agency concerned (and it gives the example of the IDA) might become so large and experienced that the responsible Department would have difficulty in exercising its role as policy maker.

The OECD Committee suggests that particular attention should be given to the organisation of "hived off" services at local level. It raises the question as to whether a wide range of executive powers could be given at regional level to a body which formalises links between the IDA, AnCO and the NMS.

The OECD Committee stresses the importance of co-operation between the social partners and notes the effectiveness of this in the running of AnCO, with its tripartite governing council. It considers that it will often be necessary to entrust the social partners with greater

responsibilities than simply providing advice or acquiescing in initiatives taken by government and it welcomes the establishment of the NESC as a first step in this direction.

The OECD Committee then considers the instruments currently used in Ireland to implement manpower policy:—

- 1 It notes that the bulk of employment creation has fallen on the IDA, and comments on the system of grants developed by that agency. The OECD Committee discusses this system of grants and sets out the arguments in favour of an employment subsidy which would be biased against Dublin and the surrounding area.
- 2 On the question of education and training in general the OECD Committee stresses the importance of the relationship between these, and says that efforts at reforming or modernising the one must be accompanied by development of the other. This requires exchanges of plans and experiences, so as to achieve a reconciliation of policies and programmes.
- 3 The OECD Committee also underlines the need for management training and states that close and continuing co-operation is needed between AnCO and the IMI, to ensure that management training keeps pace with the rising needs of the economy.
- 4 On industrial training the OECD Committee has two comments to make:—
  - (a) While indicating that the AnCO levy/grant scheme is still a useful weapon it expresses doubts as to whether the scheme is the most appropriate method of financing the country's long-term training needs, and suggests that some form of extra grant or subsidy, which would be financed either by general taxation or by a differentiated tax on industry's wage bill, should be given consideration;
  - (b) it commends AnCO's dual approach to industrial training, which caters for both apprentices and adult trainees. It suggests, however, that apprenticeships are of long duration in relation to the skill level aimed at, and that there is a strong case for a reduction in their length.

5 The OECD Committee examines the functioning of the National Manpower Service, and comes to the conclusion that it needs much improved manpower information, and access to a research and planning unit which would have responsibility for analysis of information so that the strategies and priorities of all manpower agencies can be adequately co-ordinated.

In a final comment, the OECD Committee states that at this stage in the country's development greater resources need to be devoted to strengthening the machinery for planning and co-ordinating the efforts being made to stimulate the demand for labour through industrial development and to improve the supply of labour through the encouragement of training and the provision of an employment service. There is also a need, according to the OECD Committee, to prepare for the problems which will arise as Ireland progresses towards a state of full employment.

## **B: The Examiners' Report**

The following were the main issues examined and commented on:

- 1 Economic Background and the Role of Manpower Policy
- 2 Manpower Policies and the Role of the Department of Labour
- 3 The Administration of Regional Policy
- 4 The Employment Service
- 5 Manpower Information
- 6 Training and Information.

### *1 Economic Background and the Role of Manpower Policy*

1.1 The Examiners' report comments on three particular features of the Irish labour market:

- high unemployment;
- emigration, and
- the relationship between the Irish and the UK economies.

The scope for the use of active manpower policies in dealing with these features of the Irish labour market is then examined. One policy which is discussed relates to increasing internal demand substantially, so as to reduce unemployment and stimulate investment. Such a policy would reduce overall unemployment, though it could lead to manpower shortages in specific sectors or regions with inflationary results. These might be mitigated through devices such as Government taxes and premia. A 'demand boosting policy' would, however, affect the balance of payments detrimentally. The successful accommodation of such expanded deficits would depend on economic conditions in the UK. A variation of the 'demand boosting policy' would be to devalue the Irish pound against sterling.

1.2 In their discussion of hypothetical policy alternatives, the examiners pointed out that while unemployment/imbalance problems can be suitably treated by manpower policies (or similar selective devices), they may also require more general applied measures. Alleviating these problems through demand-boosting policy or selective action policy has, however, to take account of the consequential domestic inflation. Considering the serious inflation problem in Ireland (particularly *vis-à-vis* the UK), the examiners felt that a reduction of Ireland's inflation rate would be needed for a sufficient application of broad macro-economic measures to improve Ireland's historically poor economic growth record. Inadequate domestic and external demand for Irish goods and services has limited the incentive for the exercise of domestic investment.

1.3 The Examiners analyse the imbalance between both the regions of the country and the sectors of the economy, and point to the unemployment imbalances within these. They also point out the constancy of these imbalances, particularly with regard to internal and occupational mobility and they contrast this to the high degree of mobility regarding emigration.

1.4 The Examiners comment on current regional policy in the light of these imbalances, and suggest that the flexibility of the grants scheme might be re-examined with a view to moving towards measures which are more likely to benefit Irish firms. They cite for example,

a regionally differentiated tax or subsidy—i.e., an employment tax in Dublin and a corresponding subsidy in the West—as an example of this kind of measure.

## 2 *Manpower Policies and the Role of the Department of Labour*

2.1 The Examiners state that there are two basic requirements for effective manpower policies:

- (i) they should be consistent with the Government's economic objectives and meet the requirements of the policies developed by the Government to meet these objectives;
- (ii) there should be clear responsibility for the execution and operation of manpower policies through appropriate organisations and institutions.

They found that in Ireland the Department of Labour is responsible in part for the formulation of manpower and related policies, but primarily for their execution. They comment that the Department's lack of responsibility for policy formulation places it at a disadvantage, and that this also has implications for general policy making, as decisions may be made without sufficient information and advice on the implications for manpower and manpower policies. In order to remedy this situation, the Examiners make two recommendations:

- (i) that the Department of Labour should make a more effective contribution to economic forecasting and budgetary decision making and that its role in these matters should be formally recognised.
- (ii) that a staff unit be established in the Department on the lines recommended in the Devlin Report, and that this unit would be responsible for research and planning, and the evaluation of alternative manpower policies.

2.2 The Examiners also comment on the role of the Department of Labour in regional policy, and more particularly on its role in relation to the employment creation activities of the IDA and SFADCo. They recommend that the efficient realisation of manpower objectives by regional industrial development requires that a senior official from the

Department be invited to join the boards of both these bodies, and that he should participate actively in the consideration of investment incentives.

## 3 *The Administration of Regional Policy*

3.1 The Examiners analyse the structure and institutions concerned with the administration of regional policy and comment on the lack of co-ordination in this field, both regionally and nationally. They criticise the fact that the IDA sets regional employment objectives, and suggest that a more appropriate relationship between Government and the IDA in this regard might be one where the government body sets these objectives in consultation with the IDA and other operational agencies, and the agencies then be given those tasks which are directly related to their operational functions. The Examiners also suggest that co-ordination at regional level needs to be strengthened, and they point to the need for a regional planning organisation based on a strong central unit co-ordinating and controlling related programmes in the nine planning regions.

## 4 *The Employment Service*

4.1 The Examiners comment favourably on the establishment of the National Manpower Service and make the following recommendations for the improvement of the service it offers: that

- (i) the NMS should have responsibility for the placement of school leavers, although vocational guidance is best left in the hands of properly qualified teachers;
- (ii) the NMS should place a high priority on the quality of each placement, although its placement function should not overlay its guidance role, and more thought should, therefore, be given to the provision of vocational guidance services;
- (iii) In order to fulfil its task under 4.1 (ii), the NMS should initiate a recruitment and training programme to provide a basic cadre of guidance officers in the National Manpower Service within the next two or three years.
- (iv) The number of placement officers should be expanded at a rate which is 50% greater than that currently planned by the Irish authorities.

4.2 In regard to the administration of the NMS, the examiners recommend that the possibility of establishing that body as an executive agency outside the direct control of the Civil Service should be seriously considered, and that a top level management body consisting of employer and worker organisations be established to assist in the development of the service. They also recommend that consideration be given to making notification of vacancies by employers in the public sector compulsory, and that private sector employers should be given every encouragement to notify vacancies.

4.3 Finally, in relation to finance, the Examiners suggest that in the long-term consideration should be given to the possibility of employers bearing some of the cost of the service, while at the same time retaining the role of the State as operator of it.

#### 5 *Manpower information*

5.1 The Examiners analyse in detail present manpower information sources and data in Ireland, and find them seriously inadequate—"The sum of information does not provide an overall or detailed labour demand and supply picture."

5.2 They do not recommend the improvement of any of the existing methods of collecting manpower data, and suggest instead a periodic national labour market survey, undertaken annually or biennially, and based on a national sample. They recommend that the information so provided should be supplemented by systematic gathering of local information by the NMS, and that an efficient data collection system be developed for this purpose. Finally, they recommend that the research unit proposed for the Department of Labour should have the technical capacity to undertake the type of research necessary to complement regular channels of manpower information.

#### 6 *Training and education*

6.1 The Examiners agree with the view of the Irish authorities that "industrial training will continue to be the key problem in manpower policies in the 1970s". They believe that training is a major element in both economic and social progress and conclude that it should be given a high priority in Irish policies for particular skills in short supply.

6.2 The Examiners study the operation of AnCO and, commenting on the levy/grant system, say that it may be possible in time to reduce its scale and extent, but that it is not practicable now to recommend any particular time scale for this, nor whether at a later date the system should be dropped or used more selectively. They recommend:

- (i) that AnCO develop an effective organisation for advice and consultancy concerning industrial training;
- (ii) that there should be a close working relationship between AnCO and the IMI;
- (iii) that special attention be paid to the training needs of small firms and that special facilities and schemes be devised for these.

6.3 Regarding training and retraining for individuals, the Examiners recommend:

- (i) that in order to cope with the increasing demand for skilled workers, there should be an expansion of current schemes in order to aim at an annual through-put by Government training centres of 0.5%-1% of the labour force in five years' time;
- (ii) that special encouragement be given to older workers for retraining in the form of a significant proportion of the normal wage of the occupation for which they are being trained;
- (iii) that the National Manpower Service should identify particular areas where skill shortages exist, and a major training programme should be mounted to cope with these;
- (iv) that the courses in the Regional Technical Colleges should be expanded to cover more specialist as well as general industrial training;
- (v) that a shortening of apprenticeship periods be regarded as essential;
- (vi) that credits be given to apprentices who have completed their secondary education, and that consideration be given to the development of a comprehensive range of one-year full-time courses in establishments which have an industrial atmosphere and where the subjects taught have been agreed by both sides of industry.

6.4 With regard to training for industry the Examiners recommend:

- (i) that AnCO experiment freely to establish what types of centralised training services are most suitable for Irish industry;
- (ii) that the IMI continue its efforts to ensure that management training courses are directly related to the needs of Irish managers, and that particular efforts be made to encourage chief executives to undergo training;
- (iii) that special attention be paid to the needs of owner/managers of small industries, and that special in-company training courses be developed for them by the IMI;
- (iv) that AnCO actively encourage training of supervisors;
- (v) that CERT be subsumed under AnCO, and that its activities be broadened to include not only hotel training, but also restaurants and canteens;
- (vi) that agricultural training be developed and broadened;
- (vii) that much thought be given to training for service industries.

6.5 With regard to the relationships between education and the needs of the labour market, the Examiners recommend a closer relationship between AnCO and the vocational education system be achieved through the establishment of a joint advisory committee to advise on the content of courses.

## 7 *Concluding remarks*

7.1 In their final remarks, the Examiners conclude that manpower policies appear to have been used as general subsidies to marginal employment across the whole economy, and may thus have been used to some extent as a substitute for more fundamental changes in macro-economic policy. The lack of success of the manpower policies in dealing with unemployment and inflation is not, they say, due to the use of inefficient or unsuitable manpower policy measures, but is an indication that the policies have not been wholly appropriate to the tasks they have been asked to perform.

**NATIONAL ECONOMIC AND SOCIAL COUNCIL PUBLICATIONS**

	<i>Title</i>	<i>Date</i>
1.	Report on the economy in 1973 and the prospects for 1974	April 1974
2.	Comments on Capital Taxation Proposals	July 1974
3.	The Economy in 1974 and Outlook for 1975: a document prepared by the Council's Secretariat	Nov. 1974
4.	Regional Policy in Ireland: A Review	Jan. 1975
5.	Population and Employment Projections: 1971-86	Feb. 1975