



POST COVID-19 LOCAL EMPLOYMENT SERVICE POLICY DOCUMENT MARCH 2021.

The Irish Local Development Network of 49 Local Development Companies are urging the Government to consider the rollout of a Local Development Company-led employment services model¹ as part of the response to the unemployment crisis arising from the Covid-19 pandemic.

The context:

Ireland is in the midst of a Covid-related employment crisis:

- ⇒ Unemployment stands at **25.0%²**. (Adjusted for Covid-19)
- ⇒ The future economic outlook remains **uncertain**
- ⇒ A **slow recovery** is inevitable for some sectors, particularly those dependent on inward tourism and large gatherings (e/g hospitality, food/beverage, transport).³
- ⇒ **Young people, women, ethnic minorities**⁴ are amongst those in the labour market disproportionately impacted

The Challenge:

Government will need to move swiftly as the economy re-opens to address the challenges posed by this new wave of unemployment. In doing so the Department of Social Protection will need to provide community-based employment services which provide:

- ⇒ **Certainty** in terms of service provision for all jobseekers
- ⇒ **Capacity** to cater for jobseekers nationwide
- ⇒ **Equity** in terms of access for jobseekers in all areas across Ireland

¹ Getting People Back to Work, The Irish Local Development Network's post COVID-19 Offer to Government, June 2020 sets out the detail of this offer.

² CSO, January 2021

³ Labour Market Advisory Council, Preparing for Economic Recovery, 2020, p.9

⁴ ibid p.7

The Solution:

The Irish Local Development Network of 49 Local Development Companies (LDCs) propose the rollout of an area-based Employment Service model⁵ which will be:

- ⇒ **Nationwide:** ILDN's 49 members are embedded in their Communities in every County and City in the Country. The current Local Employment Service structure provided by LDC's is unavailable in 14 Counties. LDC's have the capacity to address this deficit immediately. ILDN estimates that this proposed national Local Development Company employment services model would facilitate 150,000 client referral opportunities on a rolling basis for guidance and support services assisting a swift return to work for those who have found themselves outside of the labour market due to the COVID-19 pandemic.
- ⇒ **Affordable:** ILDN members can provide a Nationwide Employment Service to all jobseekers in all Communities for an additional €16,250,000, which along with existing contracts with Local Development Companies would deliver to the state a countrywide employment services at a total cost of €36,250,000, representing a savings of €33 million per year to the exchequer.
- ⇒ **Dependable:** In areas where ILDN members provide an existing Local Employment Service an independent Indecon Report records full-time employment placement in these services at 28.8% of hard-to-place *long-term* unemployed, as well as significant levels of part-time work placements. In addition, 89% of employer respondents indicated that their engagement with the Local Employment Services had helped them to find suitable candidates for available jobs.
- ⇒ **Comprehensive:** LDCs have a key strength in providing holistic wraparound services for individuals, families and communities. In addition to career guidance expertise these include key capacities in mental health and wellbeing supports, family supports, education and self-employment expertise and Local and Community Development.

LDCs have a key strength in addressing inequalities. The economic, social and personal impact of the COVID-19 crisis will be far reaching, and the long-term

⁵ The ILDN has set out this model in detail to Government in 2019 in- [Overview - A Model for a Local Development Company Led Employment Services](#)

fallout has the potential of further deepening inequalities in access to education and employment.

Local Development Companies are currently closely engaged with jobseekers through the Social Inclusion Community Activation Programme (SICAP), Jobs Clubs, BTWEA and Tús, and they have been preparing to deliver nationwide LES type services in 2021 for many months now. They benefit from best practice sharing and networking to existing LES operators through the ILDN network. The integration of a Local Employment Service with existing rural employment and inclusion services offers jobseekers a comprehensive wraparound service under one roof. This also enable LDCs to offer a free-to-user employment service that is inclusive of all who find themselves outside of labour market participation inclusive of both those who qualify for DSP payments and those who don't; Lone Parents; People with Disabilities; Carers; Early School Leavers; Partners of those on DSP payments etc. The inclusion of all such groups is necessary to ensure that there is a comprehensive national employment service.

⇒ **Rapid:** This proposal offers an agile response to the inevitable high demand for employment services over the next 30 months – There is integration with existing rural employment and inclusion services and no requirement to develop infrastructure.

Through their strong linkages with employers, training agencies, community groups and state agencies, as well as their local community base and not-for-profit nature, Local Development Companies also adhere to the Guiding Principles of the Labour Market Advisory Council's Policy Paper 'Preparing for Economic Recovery' i.e. Equity (paying sufficient attention to the needs of the most-at-risk jobseekers and others on the fringes of the labour market), Responsiveness, Evidenced-based, Transparency, Cost-effectiveness and Solidarity. ⁶

⁶ Labour Market Advisory Council, Preparing for Economic Recovery, 2020, p.5.