
basic information report

United Kingdom

institutions, procedures
and measures

1988

Commission of the European Communities

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On the basis of an agreement of the directors general for employment, the Commission of the European Communities has created a Mutual Information System on Employment Policies (MISEP).

The system operates with a network of correspondents from the departments responsible for employment policy in the Member States and a centralised secretariat under the overall responsibility of the Commission.

It was set up by the Commission in response to the desire expressed by the Member States' delegations in the Council to be mutually informed on developments in national employment policy measures and structures. The objective of the system is defined as "to gather, synthesise, translate and disseminate relevant information in the Member States, serving each of the responsible national ministries and agencies in their daily decision-making", and aiding the Commission in its co-ordinating role at Community level.

The "Basic Information Reports", as they are called by the correspondents, describe the structure and content of employment policy in each Member State. All reports follow the same structure and contain the same basic information which is essential to an understanding of the way employment policy is conceived and operated.

The material in the Basic Information Reports has been provided by the national correspondents. That for the present report is correct as at 1 April 1988. It is intended as a guide and an explanation of national policy measures in force at that date and is not a substitute for the corresponding legal texts. It is designed to describe the policies and practices in Member States without value judgements either on the part of the Commission or the national correspondents.

While these reports will be updated periodically, further information and regular updating of measures are published in "inforMISEP", and reproduced in "Social Europe".

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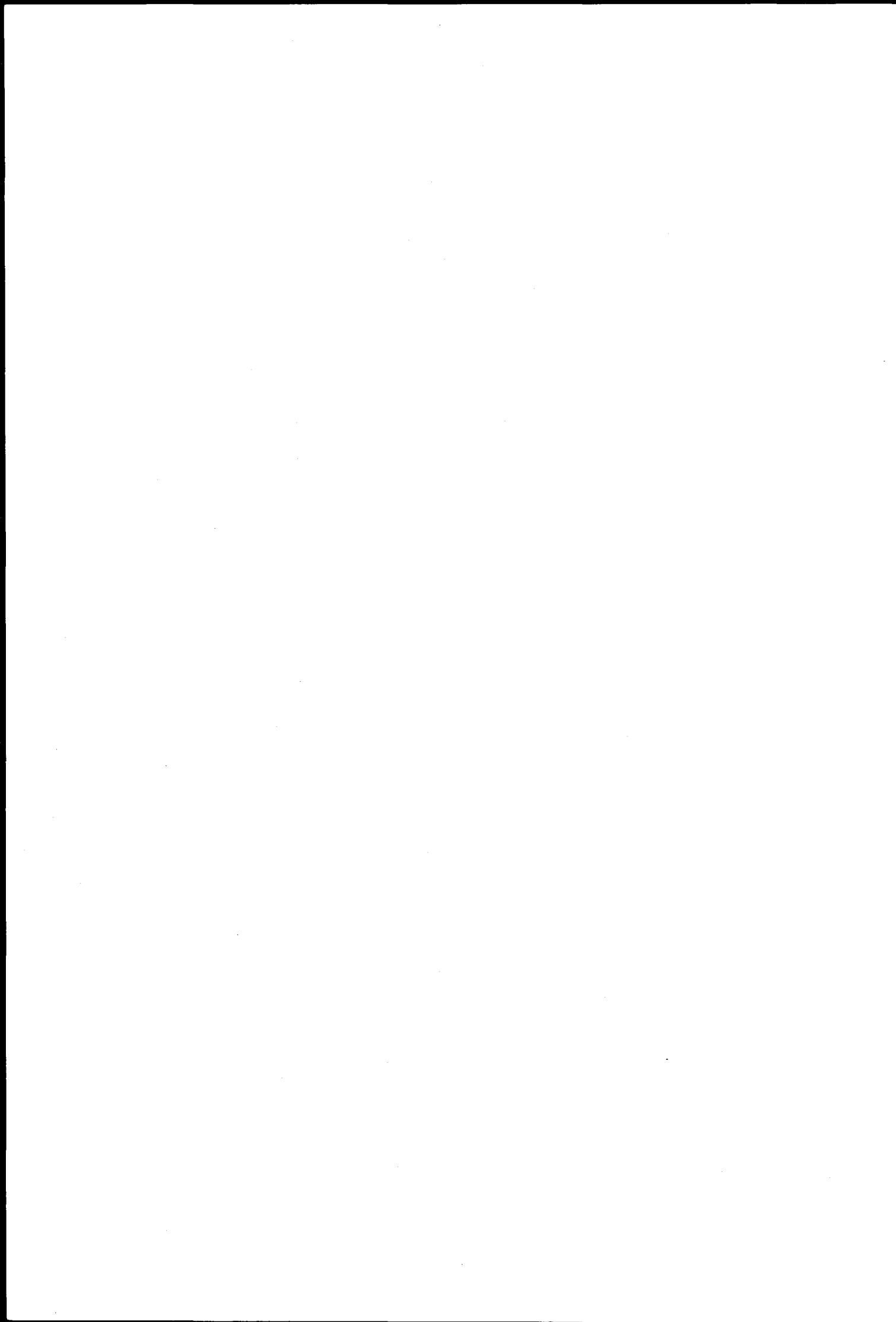
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Chapter I: INSTITUTIONS

1. DEPARTMENT OF EMPLOYMENT

1.1. Objectives of the Department of Employment

The prime aim of the Department of Employment is to encourage the development of an enterprise economy. The way to reduce unemployment is through more businesses, more self-employment and greater wealth-creation, all leading to more jobs.

The key aspects of the Department's work are to:

1. Promote enterprise and job creation in growth areas such as small firms, self-employment and tourism.
2. Help business to grow and jobs multiply by cutting 'red tape'; improving industrial relations by ensuring a fair balance under the law and encouraging employee involvement.
3. Improve training arrangements so that young people get a better preparation for work, and adults obtain the skills they need to compete in the world.
4. Help the young and those out of work for some time to find work, training or opportunities likely to lead to a job.

In addition to the nationwide network of Employment Service offices, there are over 30 training, employment and business help schemes. Among them are schemes for sectors of the labour market, including both unemployed and employed people, those with and without skills, young people and others with special needs, such as disabled people.

The Department's many activities include:

- * helping unemployed people by the prompt payment of the benefit and allowances to which they are entitled
- * helping protect the employment of individuals, including those disadvantaged on grounds of race, sex or disability
- * helping maintain and improve health and safety at work.

The Department of Employment Group comprises the Employment Service, the Training Commission, the Health and Safety Executive and the Advisory Conciliation and Arbitration Service.

1.2. Divisions of the Department of Employment

Training Policy Division :	covering adult training, youth training, education issues, careers service and youth employment generally.
Small Firms and Tourism Divisions:	providing the focal point in Government for ensuring that policies and schemes of assistance are developed with due regard to small firms interests: administering the Small Firms Service in England and the Loan Guarantee Scheme.
Industrial Relations Division I:	covering employment protection, collective labour legislation, redundancy and insolvency payments.
Industrial Relations Division II:	covering wages councils, pay negotiations, industrial disputes, docks, equal opportunities (race and sex).
Economic and Social Division:	covering employment policy, economics, social science, Employment Market Research and research administration.
Overseas Division:	covering co-ordination of policy towards the European Communities including the European Social Fund, the International Labour Organisation, the Organisation for Economic Co-operation and Development, the Labour Attaché service, overseas labour.
Statistics Division:	covering the production, publication, and advice on the system of labour market statistics, including employment, unemployment, earnings and retail prices.
Employment Policy Division:	covering national, regional and sectoral employment matters: developing and monitoring main DE measures and the new adult programme - Employment Training; the 1988 Employment Act; employment strategy, policy on long-term unemployment and development of new initiatives; senior management support and value for money initiatives.

Other support divisions are: Finance; Computer; Solicitors;
Personnel and Management Services;
and Information.

The Inner Cities Initiative and the Enterprise and Deregulation Unit have been transferred to the Department of Industry (cfr 8.3.).

2. THE EMPLOYMENT SERVICE

2.1 The **Employment (ES) Service** was set up in October 1987, as a result of a redistribution of functions between the Department of Employment and the Manpower Services Commission (MSC). The ES brings together the job placement and related functions of Jobcentres, previously administered by the MSC, and the benefit payment work of the Unemployment Benefit Service.

The ES is organised through nine regions, including Scotland and Wales. London and the South East is divided into three divisions making a total of eleven units in all. Each region is responsible for the employment services which the Department offers, including the provision of a placing service to all regions, the administration of the payment of benefits to unemployed people as an agent for the DHSS and the administration of the Enterprise Allowance Scheme. There are over 2,000 local outlets in 78 areas throughout Great Britain. The main objective of ES on its establishment was to provide an efficient and coherent service to unemployed people, particularly the long-term unemployed and others experiencing difficulties in entering the labour market, by offering them a range of opportunities to help them get back to work as soon as possible.

The linking of placement and benefit work involves counselling and guidance throughout the period of unemployment and in the progression into work, or a government training or employment programme. It also helps the unemployed person to be aware of his/her responsibilities in the process of getting back into work and as a claimant.

Current priorities for the ES as set out in a Government White Paper, published in February 1988, are:

- (i) to give positive help to people who have been unemployed for over 6 months and to other unemployed people who need such help (particularly people with disabilities or other disadvantages), notably through increased emphasis on placing the longer term unemployed into jobs.
- (ii) to make accurate and prompt payments of benefit to unemployed claimants at the same time as ensuring that benefit is paid only to those who are entitled to it.
- (iii) to improve its capacity to deliver service through promoting the integration of Jobcentres and Unemployment Benefit Offices, training and developing staff, improved communications, and achieving maximum benefit from information technology.

2.2. Decision-making bodies

The Secretary of State for Employment is responsible for manpower policy including policy dealing with employment of women and older workers, as well as for the manpower aspects of regional policy and regional economic planning; he has senior representatives in each regional centre.

In addition, he is responsible for:

- * promoting the policy of equal employment opportunity for workers regardless of race, colour, origin or sex;
- * small firms and tourism;
- * redundancy payments policy and redundancy payment provisions of the Employment Protection (Consolidation) Act 1978.

The Secretary of State also has powers to provide temporary employment for the unemployed and set up schemes to promote employment.

The Secretary of State is responsible for the payment to unemployed people of unemployment benefit and income support. This work is carried out by DE (ES) as agent of the Department of Health and Social Security.

The Secretary of State for Employment is also responsible for the Government's dealings with the Training Commission (TC), the Advisory, Conciliation and Arbitration Service (ACAS) and the Health and Safety Commission (HSC) and answers to Parliament for their work.

2.3. Number of personnel

The Department of Employment currently employs some 33,500 staff.

2.4. Co-operation and co-ordinated activities

DE has contact with outside organisations such as industry, training organisations, local government, the CBI and the TUC.

2.5. International contacts

The Department of Employment (OA) is the co-ordinating UK Department for OECD's Manpower and Social Affairs Committee (MSAC).

The Secretary of State for Employment is the UK Minister responsible for ILO affairs. Staff in Branch OA act as delegates and advisers at ILO meetings and the section is responsible for co-ordinating replies to all ILO enquiries.

The Department of Employment is mainly involved in the employment, Social Charter and Human Rights aspects of the Council of Europe's work.

2.6. European Community

Branch OB is the co-ordinating Branch dealing with EC activities including the European Social Fund. The activities of the Branch include:

- (i) briefing support for Ministers and senior officials attending various major EC meetings (Council of Ministers, informal meetings of EC Employment Ministers, Standing Employment Committees, Directors-General of Employment);
- (ii) representation of UK at various other meetings, including the Social Fund Advisory Committee and occasional bilateral meetings with officials of other member states;
- (iii) operation of Parliamentary scrutiny procedures for European Community business;
- (iv) advice on EC procedures, including notification of State aids;
- (v) dissemination of EC information (relevant to DE) to other branches/departments, and contributions to the EC Commission of data on UK employment.

3. TRAINING COMMISSION

3.1 Legal status

The Manpower Services Commission (MSC) was set up on 1 January 1974 under the Employment and Training Act 1973 to run the public employment and training services. Following consultation with the MSC, the Secretary of State transferred responsibility for running Jobcentres and related functions to the Department in October 1987. In addition to Jobcentres themselves, Restart courses, Job Clubs, PER, the Enterprise Allowance Scheme, Sheltered Employment and services for the disabled (other than the employment rehabilitation programme) were also transferred. From September 1988 the Commission will be known as the Training Commission (Employment Act 1988).

The Commission is separate from Government but is accountable to the Secretary of State for Employment (and in respect of its operations in Scotland and Wales to the Secretaries of State for Scotland and Wales). In addition, in England and Wales only, there is an accountability to the Secretary of State for Education and Science in respect of certain developments (for example, the work-related Non-Advanced Further Education programme (NAFE) linking the training and education sectors, and the Technical and Vocational Education Initiative - TVEI). In Scotland, accountability for education related matters, including TVEI, is to the Secretary of State for Scotland. Arrangements for NAFE do not apply to Scotland.

3.2 Objectives

The aims of the Commission are to assist the efficiency and effectiveness of industry through the development of a skilled and adaptable workforce (including management) which is responsive to industry's changing needs - in particular by

- * encouraging modernisation and development of occupational training arrangements;
- * offering foundation and increased vocational education and training for young people under 18;
- * helping to open up improved access to training and retraining for adults, whether employed or unemployed.

3.3 Organisation

The Commission has an operating division - Policy and Programmes Division - a support division - Resources and Personnel Division - the Skills Training Agency and the Training Standards Advisory Service. Throughout Great Britain there are 57 area offices supported by 58 Area Manpower Boards whose role is to advise on the planning and delivery of TC programmes in their area.

At national level, there are Training Commission Committees for Scotland and Wales. Other national groups include a Youth Training Board to advise on YTS trainees, and groups to advise on the content of and standards in TVEI, NAFE and Open Tech.

3.4 Membership of the Commission

The Commission has ten members who serve for a term of three years: a chairman, three members appointed after consultation with the Trades Union Congress, three after consultation with the Confederation of British Industry, two after consultation with local authority associations and one with professional education interests. From September 1988 the Secretary of State may appoint up to six additional members. The Committees for Scotland and Wales have been established to advise the Commission on manpower and training matters and in particular on the implementation of its plans and programmes in those countries.

3.5 MSC Corporate Plan 1987-91

The MSC produces annually a five year Corporate Plan which is approved by the Secretary of State for Employment. This covers the Commission's programmes and objectives for that period. The following summarises the main action points in the MSC's Corporate Plan 1987-91. From September 1988 this will become the Training Commission Corporate Plan.

Vocational education and training

* To continue to work with and through others in pursuit of the three New Training Initiative (NTI) objectives.

NTI Objective One

* To continue to seek improvements in the effectiveness of vocational education and training arrangements, including apprenticeships.

* To stimulate action by industry and commerce to develop the standards of competence which will meet the needs of the National Council for Vocational Qualifications.

NTI Objective Two

* To move to a position in 1991 where the vast majority of young people enter the workforce with recognised relevant vocational qualifications.

* To contribute to efforts to ensure coherence between education and training opportunities available across the 14-19 age range.

* To encourage all local education authorities and education authorities to participate in TVEI.

* To work with bodies responsible for student entry to higher education to ensure that new qualifications piloted by TVEI projects are recognised as appropriate for entry to higher education.

* To establish two-year YTS as a high quality training programme which is the normal means of entry into working life for 16 and 17 year old school leavers and to provide a place on the scheme for every school leaver under 18 who is not going directly into a job.

NTI Objective Three

- * To continue to improve the output from and quality of the MSC's adult training provision to meet national and local shortages of skills.
- * To consider how to deploy resources in support of attempts to increase the supply of highly qualified manpower.
- * To take action to help build a self-sustaining and responsive training infrastructure supported by effective local education, training and employers organisations.
- * To promote the take up of education and training by improving access to information and providing impartial help for individuals and companies in using that information to meet their needs.

Work-related NAFE

- * To review how relationships have developed and how successful arrangements for provision in the first year of the NAFE agreement have been.

Helping people back to work

- * To play a substantial role in meeting the Government's guarantee for the young unemployed adult and in moving towards achievement of its aim for long-term unemployed people.
- * To provide about 300,000 Community Programme openings a year.
- * To extend the new Job Training Scheme to all TC areas in a manner and at a speed in which quality can be assured and which meets the needs of long-term unemployed people in every category.

Delivery and evaluation

- * To maintain the impetus given by Open Tech to the vocational open learning market through the new Open Learning Programme.
- * To continue to fund initiatives to develop the use of new technology in training.
- * To improve availability of information on labour market needs and training provision.
- * To analyse the effectiveness of the current system of funding vocational education and training.
- * To continue to fund the Youth Cohort Studies jointly with the Department of Employment and the Education Departments.
- * To continue to monitor and evaluate the TVEI pilot projects.
- * To continue the follow up programme of all YTS leavers until 1988 and then review it.

- * To continue to evaluate the Commission's adult training programmes, including new JTS.

Skills Training Agency (STA)

- * To provide a flexible range of quality training services which offer good value for money.
- * To ensure that STA services meet the needs of its customers.
- * To recover costs from training income and to make a 5% return on capital employed.

Equal opportunities

- * To continue to implement the Commission's equal opportunities policies.
- * To explore why people who could benefit do not take part in its programmes and try to remove the obstacles that stop them from doing so.
- * To ensure that all staff are aware of the need to avoid discrimination and have adequate training to help them do so.

Regions and inner cities

- * To continue to accord priority to inner city areas and to develop schemes designed by and for inner city residents to stimulate employment and generate enterprise in inner city areas.

Making TC programmes known

- * To ensure that information about Commission programmes is communicated to all appropriate audiences effectively and efficiently.
- * To continue to encourage employers and other training providers to invest more in training.

Management

- * To seek improvements in managerial systems and standards with the framework of the Government's Financial Management Initiative, for example through the use of Strategic Programme Reviews.
- * To continue to improve productivity by, for example, implementing the Commission's Information Processing Strategy.
- * To implement a Human Resource Development Strategy.
- * To improve the competence and professionalism of Commission staff and their performance.
- * To improve internal communications.
- * To increase the professionalism and expertise of staff training.

* To help introduce a quality YTS scheme in the Department of Employment Group.

3.6 Number of personnel

The total number of TC staff is about 25,800.

3.7 Expenditure

Total expenditure by the Commission has increased significantly recently in both current and constant prices. This increase has largely been accounted for by increased expenditure on the Youth Training Scheme and the Community programme. Expenditure on occupational training has also increased recently, mainly as a result of the new Job Training Scheme.

Over 90% of TC expenditure is accounted for by grants and allowances to individuals and to employers and other organisations undertaking Commission programmes.

TC programmes are paid for principally out of the general grant-in-aid, covering about 60% of the total outlay. The rest (i.e. the Community Programme and Community Industry) is paid for direct by Department of Employment vote, or by receipts, as for example the Skills Training Agency.

3.8 Co-operation and co-ordinated activities

TC has substantial involvement with outside organisations, e.g. the CBI, TUC, local government, Industry Training Boards, the education and careers services and youth voluntary organisations. For each of the TC's activities, the interaction with such organisations is described in the annual report.

3.9 International contacts

The TC has wide direct representation on committees and working parties of the EC and other international organisations. During 1987 a number of foreign visitors, including ministers and public service officials, visited the TC to study its policies and programme. Commission officials also made some visits abroad, mainly for short periods on EC business.

4. THE HEALTH AND SAFETY COMMISSION (HSC) and the HEALTH AND SAFETY EXECUTIVE (HSE)

4.1 Health and Safety Commission

The HSC was appointed in October 1974 by the Secretary of State for Employment under powers given in the Health and Safety at Work etc Act 1974. It is responsible to the Secretary of State for Employment and to other Secretaries of State for the administration of the Act. The Act requires it to take appropriate steps to secure the health, safety, and welfare of persons at work, to protect the public generally against risks to health or safety arising out of the work situation; to control storage and use of explosives, highly flammable and other dangerous substances; and to control the emission of noxious or offensive substances from prescribed premises.

HSC is also responsible for carrying out or sponsoring research; for ensuring that adequate training is given; and for providing an information and advisory service. It keeps under review the adequacy of legal requirements and submits to government proposals for new or revised regulations and approved codes of practice.

HSC consists of a chairman and not less than six or more than nine other members representing the two sides of industry and local authorities.

4.2. Health and Safety Executive

The Health and Safety Executive was appointed in January 1975. It consists of three persons of whom one is the Director of the Executive. All three members are appointed by the Health and Safety Commission with the approval of the Secretary of State for Employment.

The Executive is supported by about 3,600 staff. Its Inspectorates enforce health and safety legislation in industry, agriculture, the health services and education. Some other public agencies, notably local authorities, also have responsibility for enforcement of health and safety legislation and deal with, for example, most shops and offices.

5. ADVISORY CONCILIATION AND ARBITRATION SERVICE (ACAS)

5.1. Legal status and functions

ACAS was set up as an independent body in September 1974 and given statutory form by the Employment Protection Act 1975. Under that Act, the Service was charged with the general duty of improving industrial relations. It provides conciliation and arbitration in industrial disputes and advises both sides of industry on industrial relations matters.

ACAS is linked with, but independent of, the Certification Officer and the Central Arbitration Committee. The Certification Officer is an individual who has certain statutory duties which arise mainly in relation to trade unions

and employers' associations. The Central Arbitration Committee's functions include promoting and assisting with the voluntary improvements of workplace industrial relations and upholding the best in industrial relations practice.

6. INDUSTRIAL TRIBUNALS

6.1. Legal status and functions

Industrial tribunals are independent judicial bodies set up to provide an inexpensive, speedy and informal means of dealing with and deciding certain disputes in the employment field, chiefly complaints of unfair dismissal. The principal legislation under which complaints are brought is the Employment Protection (Consolidation) Act 1978. The tribunals are also empowered to hear complaints under other Acts of Parliament and various statutory regulations. Each tribunal hearing a case consists of a legally qualified chairman and two lay members drawn from each side of industry.

Either party can appeal against a tribunal's decision on a question of law to the Employment Appeal Tribunal (EAT).

The Central Offices of Industrial Tribunals (COIT) are situated in London (for England and Wales) and Glasgow (for Scotland).

7. BRITISH TOURIST AUTHORITY AND NATIONAL TOURIST BOARDS

Responsibility for tourism was transferred to the Department of Employment from the Department of Trade and Industry in September 1985. The Secretary of State for Employment has responsibility for tourism policy in England, and also for the promotion of Britain overseas. The Secretaries of State for Scotland and Wales have responsibility for tourism policy in their country.

The British Tourist Authority and the National Tourist Boards for England, Scotland and Wales were set up under the Development of Tourism Act 1969. The Northern Ireland Tourist Board was set up under separate legislation. The Board of the British Tourist Authority (BTA) is appointed by the Secretary of State and comprises a chairman and not more than 5 members, all of whom have experience of the tourism and leisure markets. The chairman of the Wales Tourist Board and the Scottish Tourist Board also sit as ex-officio members. The National Tourist Boards are made up in much the same way.

The objective of both the BTA and the National Boards is to create wealth and employment by developing the British Tourist Industry, both by encouraging overseas visitors to Britain and by encouraging UK residents to take their holidays in Britain.

8. LINKS WITH OTHER GOVERNMENT DEPARTMENTS (OGDs)

8.1. Department of Health and Social Security (DHSS)

Social security: DE acts as agent for the DHSS through the ES, and pays out unemployment benefit and income support after assessment by DHSS to unemployed people; social welfare issues eg. poverty.

8.2. Department of Education and Science (DES)

DE has links with DES for education and training issues including TVEI, Work-Related Non-Advanced Further Education and the National Council for Vocational Qualifications; and graduate manpower. It jointly funds with DES the Trade Union Education and Training Grant (TUVET) to members of the Trade Union Congress (currently £1.7m) and a smaller grant to unions not affiliated to the TUC (currently £80,000 pa) for the education and training of trade union members in the principles of trade unionism and the promotion of better industrial relations.

8.3. Department of Trade and Industry (DTI)

DTI has taken over former DE responsibility for City Action Teams and the Inner Cities Initiative (cfr 9-9.3) whose overall objective is to increase the effectiveness of central Government programmes in meeting the needs of communities in urban areas suffering from particularly severe problems, notably through improving their employment prospects, and for the Enterprise and Deregulation Unit, which considers the effect on enterprise and jobs of major aspects of Government policy.

Other links between DE and DTI relate to: the internal market; industrial policy; regional policy, employment aspects of the various industries eg steel, shipbuilding; technical barriers to trade, and Article 100 Directives.

8.4. Department of the Environment (DOE)

Health and safety aspects of environment issues; urban policy (eg enterprise zones).

8.5. Cabinet Office

Parliamentary and other institutional questions; legal questions; statistical issues (with Central Statistical Office, which is part of the Cabinet Office).

8.6. Home Office

Migrant workers, free movement of workers, work permits; equal opportunities.

8.7. Northern Ireland, Scottish and Welsh Offices

Any matters relating to employment issues in those areas.

8.8. Treasury

Financial implications of proposals.

8.9. Foreign and Commonwealth Office (FCO)

Co-ordination of international matters.

8.10. Inland Revenue (IR)

DE informs IR of benefits chargeable to tax so that an individual's tax position can be adjusted accordingly.

9. INNER CITIES

Government policy on the inner city covers the interests of a number of Departments and is delivered through various programmes and activities. It is co-ordinated by DTI through two main schemes, the city Action Teams (CATs), and the Inner Cities Initiative (ICI).

9.1. City Action Teams (CATs)

The City Action Teams were launched in April 1985 with the on-going aim of better co-ordinating Government policies in the inner city so that Departments' programmes and other spending has the greatest possible impact on the problems they are designed to address. There are five teams, covering each of the 7 Inner City Partnership Areas (Birmingham, Liverpool, Newcastle-Gateshead, Manchester-Salford, and London - covering the Islington, Hackney and Lambeth Partnerships). DE became the lead Department - with a central co-ordinating role - in September 1985.

CATs are interdepartmental. The Teams are composed of the relevant Regional Directors of MSC, DOE and DTI. Their aim is to co-ordinate Government assistance related to the three initial objectives of Urban Policy, which are:

- * increasing job opportunities in certain areas and the employability of certain groups;
- * reducing the number of derelict sites and void buildings; and
- * reducing the number of people in acute housing stress.

CATs ensure that the money is spent to best effect, and the areas covered receive the largest possible share of relevant national programmes. Scope for improving value for money lies at the centre of the idea. In addition, the Newcastle-Gateshead CAT has subsequently received an additional £1m on a pilot basis to help it support further projects.

9.2. Cleveland Co-ordinating Team (CCT)

In addition to the 5 CATs, the CCT - led by DOE - has broadly the same remit but covers the whole of the County of Cleveland. The Team was set up in January 1986, building on DOE's Cleveland Initiative.

9.3. Inner Cities Initiative (ICI)

Based on its experience with the CATs, the Government felt there was scope for a more closely targeted initiative in small inner city areas, which would aim to achieve a CATs-type co-ordination between Departments, but also experiment with new approaches to the employment problem of inner city residents. (DTI is now the lead Department.)

The Inner Cities Initiative was announced in February 1986. Small Task Forces have been piloted in eight smaller inner city areas in England, initially for 2 years. The eight areas, chosen as giving a typical cross-section of the problems, are: North Peckham, London; North Kensington, London; Handsworth, Birmingham; Chapeltown - Harehills, Leeds; Moss Side, Manchester; St Pauls, Bristol; Highfields, Leicester; and North Central Middlesborough.

The Initiative aims to improve the targeting of all Government programmes (worth some £75m in the areas in 1985-6) and also to use some modest additional resources (£8m) to develop innovative approaches to the problems of local residents and support schemes that otherwise might fall between the criteria of the main Government programmes. Objectives can be summarised as employment provision, encouraging enterprise, improving residents' employability and improving community facilities/the environment, including crime reduction.

Links with local agents underline the Initiative: Task Forces are consulting with local authorities, voluntary and community groups as well as individuals and the private sector.

The approaches and projects that are adopted in each of the areas will reflect their differing needs and characteristics; there is no one blueprint for action. Task Forces' individual plans have been linked to objectives which can be coherently addressed across the Initiative, while still leaving room for flexibility in each area, as local priorities dictate.

Chapter II: LEGAL FRAMEWORK AND PROCEDURES

1. LEGAL INSTRUMENTS

The main sources of UK employment law are statutes (and instruments derived therefrom), the case law of the Courts, and European Community primary and secondary legislation which can be both directly applicable and effective. A summary of the main UK statutes and legal instruments is provided below.

2. SUMMARY OF STATUTES

Holidays with Pay Act 1938

Enables the Secretary of State for Employment to assist voluntary schemes for securing holidays with pay in particular industries. Sections 1, 2, 3 and 5 of the Act were repealed by the Statute Law (Repeals) Act 1975.

Disabled Persons (Employment) Acts 1944 and 1958

The object of these Acts is to assist men and women who are handicapped by disablement to get suitable employment which makes the best use of their skill. Provision is also made for the registration of disabled persons and an obligation is placed upon employers to employ a certain quota of registered disabled persons.

Dock workers (Regulation of Employment) Act 1946

Authorises the making of schemes for ensuring greater regularity of employment for dock workers and for ensuring the adequate supply of such workers.

Mines and Quarries Act 1954 and 1971

The Acts make provision with respect to the management and control of mines and quarries and for securing the safety, health and welfare of persons employed in them.

Factories Act 1961

Consolidates earlier Factory and related Acts concerning the safety, health and welfare of factory workers and restricts the hours of women and young persons in factory employment.

Offices, Shops and Railway Premises Act 1963

Makes provisions for the safety, health and welfare of persons employed in such premises.

Development of Tourism Act 1969

The British Tourist Authority (BTA) and the National Tourist Boards for England, Scotland and Wales were set up as independent statutory bodies under the Act to encourage people to visit Great Britain and to take their holidays within Britain, and to encourage the provision and improvement of tourism facilities. Section 4 of the Act gives the National Boards powers to provide financial assistance to tourism projects. Responsibility for the BTA and English Tourist Board lie with the Secretary of State for Employment and, for Scotland and Wales, with their respective Secretaries of State.

Employers' Liability (Compulsory Insurance) Act 1969

This Act requires employers to insure against their liability for bodily injury or diseases sustained by their employees and apprentices in any business (whether engaged in manual, clerical or other work). Regulations may limit the amount for which an employer must insure, and may exempt employers. Provision is made for the display of certificates of insurance (issued by the insurers) for the information of employees.

Equal Pay Act 1970

This Act, which has been substantially amended by the Sex Discrimination Act 1975 and the Employment Protection Act 1975, prevents discrimination between men and women as regards terms and conditions of employment.

Employment Agencies Act 1973

Requires employment agencies and employment businesses to be licensed and gives the Secretary of State power to make regulations to secure proper conduct and to protect the interest of persons availing themselves of their services. The Act has been amended by the Employment Protection Act 1975, which transfers the licensing functions of local authorities to the Secretary of State.

Employment and Training Act 1973

This Act established the Manpower Services Commission (MSC) and set out its functions in the field of employment and training. It gave the Secretary of State power to provide temporary employment for unemployed people and provided for the creation of Careers Services. The Act has been amended by Part II of the Employment Act 1988. The 1988 Act amends the 1973 Act by renaming the Manpower Services Commission as the Training Commission. It also enables the Secretary of State to appoint up to six additional members. The Act places a duty on the Secretary of State to make arrangements in the field of training and employment and enables him to delegate all or part of this duty to the Training Commission.

Health and Safety at Work etc Act 1974

Part I makes provision for securing the health, safety and welfare of persons at work, for protecting other persons against risks to health or safety arising out of or in connection with the activities of persons at work, for controlling the possession and use of explosives, highly flammable or otherwise dangerous substances and for controlling the emission into the atmosphere of obnoxious or offensive substances from prescribed classes of premises. For these purposes, Part I imposes general duties on employers and others, and provides for the making of regulations and the approval of codes of practice with a view to enabling the existing health and safety legislation (listed in Schedule 1 to the Act) to be progressively replaced. A Health and Safety Commission is established and given the duty of making arrangements for the purposes mentioned above and the power to submit proposals for regulations and to approve codes of practice. A Health and Safety Executive is established to be the main enforcing authority and to perform functions on behalf of the Commission. Both bodies are subject to control by the Secretary of State.

Part II provides for the continuance of the Employment Medical Advisory Service and enables the Secretary of State to arrange for responsibility for maintaining the service to be discharged by the Health and Safety Commission or some other body.

Part III deals with building regulations. The Act has been amended by the Employment Protection Act 1975 which removes the special provisions relating to health and safety at work in agriculture and restricts the appointment of safety representatives to those appointed by recognised trades unions.

Trade union and Labour Regulations Acts 1974 and 1976 and Employment Acts 1980 and 1982

These Acts provide for and define the ability of trade unions and individuals to organise lawful industrial action and protect employees against dismissal on the grounds that they are or are not union members.

Sex Discrimination Acts 1979 and 1986

This legislation, which applies to Great Britain but not to Northern Ireland, makes sex discrimination unlawful. This includes employment, training and related matters (where discrimination against married persons is also dealt with). The legislation establishes an Equal Opportunities Commission with the function of working towards the elimination of discrimination and of promoting equality of opportunity. It gives individuals a right of direct access to the civil courts and to industrial tribunals for legal remedies for unlawful discrimination. It amends the Equal Pay Act 1970 so as to avoid an overlap between the two Acts.

The Employment Protection Act 1975

This Act established machinery for promoting the improvement of industrial relations (specifically the setting up of the Advisory, Conciliation and Arbitration Service (ACAS)). It amended the law relating to workers' rights, including disclosure of information, revised procedures for handling redundancies, and otherwise amended the law relating to workers, employers, trade unions and employers associations.

Race Relations Act 1976

This Act, which applies to the whole of Great Britain but not to Northern Ireland, makes discrimination on racial grounds unlawful. The Act repealed the Race Relations Acts of 1965 and 1968. The Act also established a Commission for Racial Equality with the function of promoting equality of opportunity and good relations between persons of different racial groups generally. The Sex Discrimination Act 1975 is amended by the Act to ensure uniform administration and enforcement of the two Acts where appropriate.

Job Release Act 1977

This Act provides financial authorisation in respect of sums required by the Secretary of State in paying temporary allowances to persons approaching pensionable age, under schemes made and implemented with a view to creating job vacancies and otherwise mitigating the effects of high unemployment.

The Employment Protection (Consolidation) Act 1978

The Act contains detailed provisions relating to the following employment rights; written particulars of terms of employment, itemised pay statements, guarantee payments, suspension from work on medical grounds, trade union membership and activities; time off work for trade union duties and activities, public duties, to look for work, and for ante-natal care; maternity pay and the right to return to work after pregnancy, minimum periods of notice, written statement of the reasons for dismissal, the right not to be unfairly dismissed, redundancy payments, rights on an employer's insolvency, and the appropriate remedies in respect of a breach of any of these rights.

Employment Subsidies Act 1978

This Act authorises the Secretary of State in times of high unemployment to set up schemes for making payments to employers to enable them to retain persons in employment who would, or might otherwise, become unemployed, to take on new employees and generally to maintain or enlarge their labour force.

Pneumoconiosis etc (Workers' compensation) Act 1978

This Act provides a lump-sum compensation for sufferers, or where the sufferer is deceased - surviving dependants - of certain dust-induced diseases, who are unable to claim compensation in the courts because there is no employer remaining in business.

The Transfer of Undertakings (Protection of Employment) Regulations 1981

The Regulations implement the EC Acquired Rights Directive (77/187/EEC). They provide for the protection of employees rights when businesses are transferred.

Industrial Development Act 1982

Under the Industrial Development Act 1982 (administered by the Department of Trade and Industry and the Department of Employment in respect of the Loan Guarantee Scheme, Grants to Local Enterprise Agencies and the Business Counselling Service), regional development grants are available for new investment by enterprises in any part of Great Britain specified by the Secretary of State as a development area or a special development area. Financial assistance for industry in assisted areas is available under Part III of the Act.

Industrial Training Act 1982

Makes provision for industrial and commercial training of persons over school leaving age by authorising the establishment of industrial training boards with powers to make, or secure provision of, facilities for training and to spread the cost of training more evenly by imposing a levy on employers. The way the boards carry out their functions and the amount of the levy are subject to the approval of the Training Commission and the Secretary of State.

Equal Pay (Amendment) Regulations 1983

These Regulations came into effect on 1 January 1984, further amending the Equal Pay Act 1970 to provide for equal terms and conditions of employment where men and women are engaged on work of equal value.

Trade Union Act 1984

The main purposes of this Act are:

- (i) to provide for the members of trade union governing bodies to be directly elected by individual secret ballot of the union members (Part I);
- (ii) to make trade unions' immunity for organising industrial action conditional on securing a majority in favour of such action in a secret and properly conducted ballot (Part II);
- (iii) to enable members of trade unions with political funds to vote at regular intervals on whether their union should continue to spend money on partly political matters (Part III).

Wages Act 1986

This Act repeals legislation which previously required manual workers to be paid in cash, so allowing all workers to be paid by non-cash methods, and regulates the circumstances in which employers may make deductions from workers' wages.

The Act also restricts the powers of Wages Councils established under earlier legislation. Councils may now fix only a single minimum hourly rate of pay applying to basic hours worked and a second single minimum hourly rate applying to overtime worked. These rates apply to all workers whose minimum pay a particular Council fixes. Councils are also prevented from fixing any minimum rates for workers aged under 21.

The Act also abolishes redundancy rebates to certain employers.

3. LABOUR MARKET INSTITUTIONS AND PROCESSES

3.1. Employers' Associations

The Trade Union and Labour Relations Act 1974 (TULRA) defines an employers' association as an organisation of employers whose principal purposes include the regulation of relations between employers and workers or trade unions. Any organisation which fits this definition may apply to have its name included in the Certification Officer's statutory list of employers' associations. At the end of 1985 the list comprised 147 organisations, and there are thought to be at least another 192 organisations unlisted which satisfy the statutory definition. Many of these are local associations subordinate to industry-wide federations of which they are members. All of these bodies are concerned with the negotiation of pay and working conditions, but many of them also perform the functions of a "trade association", ie. they advise member companies on commercial and other non-industrial relations activities.

The Confederation of British Industry (CBI) is the principal body representing the views of British industry and commerce. Membership totals 250,000 and includes individual firms (parent companies and subsidiaries), almost all the nationalised industries, employers' associations and trade associations (about 200).

3.2. Trade Unions

The aim of trade unions is primarily to improve the status, pay and conditions of employment of their members. TULRA defines a trade union as an organisation of workers whose principal purposes include the regulation of relations between workers and employers or employers' associations. Any organisation which fits this definition may apply to have its name included in the statutory list of trade unions which is maintained by the Certification Office.

3.3. Collective Bargaining

Collective bargaining in the UK is the process of negotiations between employers (or associations of employers) and workers or their representatives about pay, hours and holidays, working conditions, discipline, allocation of work and other matters which can be the subject of a trade dispute.

3.4. Pay Bargaining

Collective bargaining takes place at several levels. Wage agreements concluded between employers' associations and trade unions vary in their scope, some being industry-wide (or "national") whilst others cover for example the industry in a particular district or region. With a few exceptions such agreements determine only minimum (or "basic") wage rates, with individual employers negotiating additions at the level of the company, plant or workplace. Thus a gap (the "workplace gap") exists between the wage rates reached in agreements at national or district level and actual earnings at the level of the workplace. This gap is made up of such elements as piecework or incentive earnings, company or factory additions to basic rates and overtime earnings. Since the Second World War there has been a shift to bargaining at the workplace and therefore a widening of the workplace gap. Collective agreements cover many workers who are not trade union members.

3.5. Methods of Collective Bargaining

Collective bargaining machinery has evolved according to the varying needs and circumstances of the different trades and industries. One major system (used by the Civil Service among others) is that of Joint Industrial Councils (JICs) or "Whitley Councils". JICs are standing bodies composed of equal numbers of employer and employee representatives, appointed by their respective associations. Joint secretaries are appointed with the chairman's position alternating annually between the parties. There are also less formal but equally well-established negotiating arrangements in certain industries where joint negotiating councils or committees have been established on a permanent basis. In other industries, companies and factories negotiations are conducted by meetings held when necessary.

3.6. Employee Involvement

The UK Government is firmly committed to the principle of managements informing and consulting their employees about matters which affect them, and has consistently urged companies voluntarily to adopt and develop participation procedures appropriate to their particular circumstances. Many companies clearly regard Joint Consultative Committees, for instance, as a valuable and effective part of their employee involvement arrangements.

3.7. Wages councils

The wages councils system originated from the Trade Boards Act 1909 and is now governed by the Wages Act 1986.

Wages councils are independent of Government. They are industry based and were set up in trades where there was inadequate bargaining machinery and pay was generally low. Each council fixes, for the workers covered in its

industry who are over 21 years of age, a single legally enforceable minimum rate of pay and overtime rate and sets a limit on the amount an employer can charge for accommodation provided. There are currently 26 councils covering about 2.25 million workers, the majority of whom are employed in retailing and catering. Clothing manufacture, hairdressing and a number of smaller trades are also covered. The Wages Act 1986 does not provide for the establishment of new councils. Each council may now have up to five independent members (appointed by the Secretary of State for Employment) although at present no more than three have been appointed. The independent members conciliate and exercise a casting vote if necessary to resolve disagreements between the representatives of workers and employers who form the two sides. The side members are normally appointed by employers' associations and trade unions nominated by the Secretary of State.

Wages councils are required to send notices of their wages orders to all employers who appear to be affected by them. Thereafter, enforcement is the responsibility of the Department of Employment's Wages Inspectorate.

The law requires employers not only to observe the statutory minimum rates but also to display wages council notices describing the contents of wages orders on their premises where they can be easily seen by employees, to supply copies of such notices to homeworkers and to keep such records of pay, hours etc. as are necessary to show that the statutory requirements are being complied with.

4. OUTLINE OF GB SOCIAL SECURITY BENEFIT CONDITIONS FOR UNEMPLOYMENT

Note: This guide only gives the broad effects of the legal conditions which govern benefit entitlement. The Acts and Regulations on which it is based are naturally more detailed.

4.1. Introduction

Cash help designated specifically to meet the loss of income due to unemployment is provided by two kinds of social security benefits: unemployment benefit (UB) and income support (IS).

UB is an insurance-based benefit and payment depends on the satisfaction of a number of conditions. It is payable to the individual claiming benefit and in certain circumstances includes payment for a dependant.

Income support does not rely on the payment of National Insurance contributions; instead it is determined by the claimant's financial need (cfr § 4.11.).

4.2. Unemployment Benefit

UB is only payable if the necessary National Insurance contributions or award of Class 1 National Insurance credits have been paid at the correct time. It is not paid for less than 2 days of unemployment in any period of 6 consecutive days (excluding Sundays) or for the first 3 days (the "waiting days") of

a period of interruption of employment. Once entitlement has run out (after 312 days) a separate test has to be satisfied before benefit is paid again (cfr § 4.8. and § 4.10.).

In addition to satisfying the contribution conditions a claimant must also show that he/she is unemployed and this may be in doubt if:

- * the claimant has done work (paid or unpaid) and earned more than £2 a day and the job restricts his/her availability for full-time work; or if
- * a payment from the former employer is made for that day in lieu of either notice or wages;
- * the day is covered by entitlement to an Industrial Tribunal award, guarantee payment or any similar payments;
- * the day is one of normal holiday from work even if not paid for by the employer;
- * the day is in a week in which the claimant has done his/her normal week's work.

A person must show that he/she is capable of, and willing to do, work for an employer on conditions and for hours similar to those on and for which people are employed in the area in which the person claiming is prepared to work. Any restrictions placed on a job the claimant is prepared to accept may remove entitlement to benefit.

4.3. Disqualification for UB

Legislation is presently being considered which, if passed, will increase the maximum period of disqualification to 26 weeks from April 1988.

The main grounds on which a claimant may be disqualified from receiving UB are:

- * losing a job through misconduct which can mean no more than doing something or failing to do something which makes a reasonable employer think he/she is no longer fit to hold his/her job;
- * leaving a job prematurely without good reason for doing so;
- * refusing, without good reason, to apply for or accept a suitable job.

In addition benefit is not payable:

- * for the period of a trade dispute if the claimant loses his/her job because of the stoppage of work;
- * if a person is in prison or legal custody;
- * if (excepting seafarers) a person is absent from the UK or Isle of Man. EC Regulations can sometimes enable UB to continue in payment for up to 3 months if a person leaves the UK to seek work in another Member State.

4.4. Payments which can affect UB

The following types of payment can affect UB as described.

Occupational Pensions:

If a claimant is:

- * aged 60 or over; and
- * gets an occupational pension of over a prescribed amount (currently £35 before tax) - the total UB will be reduced by 10p for each 10p the pension exceeds that amount.

Payments from public funds:

UB cannot be paid at the same time as an equivalent or greater amount by way of:

- * any other weekly national insurance benefit (ie sickness or invalidity benefit, retirement pension, widow's benefit or maternity allowance); or
- * industrial injuries benefit; or
- * an unemployability supplement of any kind; or
- * training allowances from public funds.

Some benefits are incompatible because the conditions for getting them conflict (eg. sickness and unemployment benefit). Where a person could get one of two compatible benefits, he or she is normally able to get the payment of the highest value.

4.5. Special groups of claimants

For some groups of claimants, special arrangements are made. These are:

* Men between 65-69, women 60-64

They can receive UB payable at pension rate provided they meet the usual conditions and have not retired from regular employment. The UB rate they receive is based on their retirement pension entitlement had they retired, but in some cases this may be less.

* People from abroad

Someone who has recently come from:

- another country of the EC; or
- a country with which Britain has reciprocal arrangements concerning UB may be able to count the residence or insurance in that country to help get UB;

* Seasonal Workers

A seasonal worker (ie broadly, one who has had employment for only the same part of the year for each of the last 3 years, with a workless

break of 7 weeks or more each year) must, in addition to meeting all the usual conditions for UB, satisfy the following additional rule for claim in the "off-season":

- he/she must either have worked for a quarter of the current off-season, or stand a good chance of getting that amount of work in the off-season.

These additional conditions have to be satisfied regardless of whether the claimant chose to be a seasonal worker or became one by force of circumstances.

* People aged 60 or over

Men:

Those aged 60-64 who want to claim UB must sign on at the UBO in the normal way. However, it is unnecessary for them to sign on for national insurance contribution credits alone because these are given automatically for each of the 5 tax years in which they are aged 60-64. The only exceptions to this are those absent abroad for more than 182 days in a particular tax year or for periods of Class 2 contribution liability. Men in this age group who qualify for Income Support are not required to sign on and be available for work as a condition for payment and it is paid at the higher long-term scale rate, usually by order book. There are also special arrangements that enable them to have their PIEs (insurance contributions) continued automatically if they stop signing because of autocredits or because they start to receive the long-term scale rate of Income Support. Most men retire at age 65 but exceptionally may claim UB otherwise.

Women:

Most women retire at age 60 but they may claim UB instead. If IS is payable in addition, this will be at the higher IS rate. Automatic PIE continuation is also available to women. National Insurance contribution credits are never awarded after their age 59 tax year.

4.6. Decisions on doubtful claims

If any question arises about entitlement to UB it is decided by independent statutory authorities. The first of these is an Adjudication Officer. A claimant can appeal to a Social Security Appeal Tribunal against the Adjudication Officer's decision and has a further right of appeal against the Tribunal's decision, subject to leave, to a Social Security Commissioner. As all these authorities are independent their decisions on individual claims cannot be interfered with by ministers or officials.

4.7. Claiming benefit

It is no longer a condition for the receipt of UB/Income Support that claimants over the age of 18 have to register for employment with a Jobcentre. All that is required is an initial attendance at an Unemployment Benefit Office to make the claim followed by regular fortnightly visits to confirm that the conditions for the receipt of benefit are still satisfied.

4.8. Definitions

The following definitions apply to the contribution conditions for UB:

* Benefit year: starts on first Sunday in January; the Benefit Year for a UB claim is the one in which the period of interruption of employment starts. A period of interruption of employment consists of:

- at least 2 days (consecutive or not) of unemployment in any 6 consecutive days, excluding Sundays (days covered by training allowances paid from public funds count as days of unemployment);

or

- at least 4 consecutive days (not counting Sundays) of incapacity for work (including days for which maternity allowance is payable). Days of entitlement to Statutory Sick Pay do not count towards a period of interruptions of work.

Periods of interruption of employment which are not separated by more than 8 weeks are treated as one period.

* Relevant tax year: the last complete tax year before the start of the benefit year relevant to the UB claim;

* Weekly lower earnings limit: the lowest level of earnings on which a claimant has to pay a Class 1 contribution;

* Weekly upper earnings limit: Class 1 contributions are not payable on earnings above this amount.

Class 1 contributions: those paid by an employed earner.

Class 2 contributions: those paid by a self-employed person.

4.9. Contribution conditions for UB claims from 3 October 1988

For a claim with a period of interruption of employment starting from 3 October 1988, there will be two relevant tax years: the last complete tax year before the start of the benefit year relevant to the claim and the one before that.

Before UB can be payable, the claimant must:

- 1 have paid in one of the two tax years Class 1 contributions which give a total of at least 25 times the contributions payable on earnings at the lower earnings limit for that year; and
- 2 have paid, or been credited in each of the two tax years with Class 1 contributions which give a total of at least 50 times the contributions payable on earnings at the lower earnings limit for that year.

Under these conditions there is no need to test whether credits can be counted towards benefit. In addition, credits will no longer be awarded to recent school leavers to help meet the second contribution condition up to the year in which the first condition was satisfied.

4.10. Credits during unemployment

A claimant will generally be given a contribution credit for each complete week (Monday-Saturday) during which he/she has been unemployed and available for work. But no credit will be awarded to a married woman with reduced contribution liability; or for any weeks in the tax year in which a claimant reaches age 65 (men)/60 (women).

Benefit does not have to be paid to get credits. They can be awarded if someone does not get UB because he/she does not satisfy:

- * the normal contribution conditions; or
- * the requalification conditions for further benefit after being paid for 312 days; or
- * the special conditions for a seasonal worker during the off-season.

But he/she will not get credits if he/she does not get UB for most other reasons - for example, because of a payment received from his/her employer.

If someone is unemployed and available for work for a part of a calendar week, and sick for the rest of the week, he/she may be credited with a contribution. But to get a credit he/she must claim at the Unemployment Benefit Office and also send a statement of incapacity to the local Social Security Office.

People aged 60 or over receive automatic credits and need not claim at the UBO (cfr § 4.5.).

4.11. Income Support (IS)

IS is a non-contributory means-related benefit payable to people in Great Britain aged 16 or over who do not have enough money to live on. It is intended to meet regular weekly needs. Neither the recipient nor their partner must be in full time work which for this purpose is working for 24 hours or more a week. Benefit is assessed on the basis of an allowance for the claimant and each dependant in the family (if any).

4.12. Allowances and Premiums

The allowance is intended to cover all day-to-day living expenses. The amount of allowance depends on marital status. Certain groups of claimants, eg. families, lone parents, pensioners receive additional premium payments. Rates of benefit can be increased to cover certain housing costs.

4.13. Resources

Single claimants and couples are allowed total capital of £6,000. An allowance for a dependant is paid if the dependant has less than £3,000 capital. Most forms of income are taken into account when assessing the unit's financial requirement but those incomes for specific purposes, eg. attendance allowance may be wholly or partially disregarded. Other forms of income including earnings from part time work can also attract a disregard. This is normally £5 but increases to £15 if the claimant belongs to a certain premium group or has a specific job or is one of a couple who have been in receipt of IS for 2 years.

Any income which is payable to a dependant (other than the claimant's partner) is taken into account against the dependant's allowance and premium.

Any resources which a person has deliberately refused to obtain or rejected may be treated as possessed by that person.

4.14. Housing Benefit

Most people who get IS are automatically entitled to Housing Benefit if they pay rent or rates. Housing Benefit is paid by the local council.

4.15. Availability for work

With certain exceptions fit claimants of working age are entitled to benefit, only as long as they are available for work with an employer.

This means being available in an active sense and claimants may be asked for details of vacancies applied for, copies of employers' responses or, more generally, a summary of their job seeking efforts.

Note: Claimants under 18 years of age are required to register for work at their local Careers Office. Such registration will normally be taken as proof of "being available in an active sense".

Where a doubt exists or arises concerning a person's availability, this is considered by independent adjudicating authorities. Each case is considered on its individual merits, but benefit may be withheld, for example if a claimant places unreasonable restrictions on the type of employment they will accept or refuses an offer of suitable employment.

From the end of April 1988, all claimants' availability will be reviewed at approximately six monthly intervals.

Apart from these 6 monthly reviews, Claimant Advisers ensure that the unemployed claimants they interview are available for work and are entitled to claim unemployment benefit. If the claimant appears to be on the wrong benefit, they can give advice about alternative benefits which may be more appropriate.

Claimant advisers also provide advice and guidance on the help available to people from Jobcentres, the various training programmes and the financial help available to people moving back into work.

4.16. Reduction in benefit

If a person's UB is disqualified for leaving employment voluntarily, through misconduct or refusing a suitable job, his/her IS has to be reduced by 40% of the personal scale rate for the period of the disqualification. Most claimants should be able to manage on the reduced allowance after a period of employment but if the claimant's savings do not exceed £100 this penalty may be reduced.

People who persistently claim allowances because they leave, lose or refuse suitable work without just cause may be prosecuted for failing to maintain themselves and their dependants.

A person in legal custody cannot get benefit while he/she is in prison or an equivalent institution.

4.17. Taxing benefits

Benefits paid to the unemployed are generally treated as taxable income. Both unemployment and Income Support are taxable except where a person who satisfies the availability condition is:

- * a man aged 65 or over;
- * a woman aged 60 or over;
- * a single parent with a child aged under 16;
- * a man aged 60 or over who is entitled to the long-term scale rate of income support;
- * staying at home to look after someone who is severely disabled.

The whole amount of UB is taxable whereas only the amount of income support actually paid to a person is affected.

Benefit which is taxable is not reduced instead any tax due on benefit payments will generally be met either from reducing the amount of any tax refund due or by adding the taxable benefit to subsequent pay thus reducing the amount of tax free pay allowed on return to work against the pay only.

5 MATCHING LABOUR SUPPLY AND DEMAND

5.1. Placement Service

The Employment Service (ES - cfr Chapter I) brings together the job placement and related functions of Jobcentres and the benefit payment work of the Unemployment Benefit Service. The main object of the ES is to provide an efficient and comprehensive service for all its customers; priority is given to unemployed people and in particular the long-term unemployed and others experiencing difficulties in entering the labour market.

Jobseekers are not compelled to use the ES placement service and are free to seek employment from any source. However, unemployed people claiming benefits are required to demonstrate that they are available for and actively seeking work. Failure to demonstrate availability and job search can lead to loss of benefits.

In addition, every unemployment benefit claimant who has been out of work for 6 months or more is invited to a "Restart" interview (cfr 3.5) by ES staff. The aim of the interview is to provide additional help and advice to the client to enable him/her to move out of unemployment. While the decision to take up any of the opportunities discussed at the interview is voluntary, a continuing refusal to attend the interview itself can ultimately lead to a loss of benefits.

Employment registration at Jobcentres is limited to certain specific categories of jobseekers, usually those who may have difficulties in visiting the office frequently or those with special skills or special needs (eg. people with disabilities). Most jobseekers are directed to self-selection display boards.

Employers are free to recruit labour from any source including the ES local office. They use the ES on a voluntary basis and are not generally required to notify vacancies. About one third of all vacancies in the economy are notified to Jobcentres.

The only exception to this is if an employer does not meet the quota requirements of the Disabled Persons Act. If this is the case an employer is required to apply for a permit to employ any worker who is not disabled.

5.2 Matching procedures

The main method of submitting jobseekers to vacancies is through vacancy display at Jobcentres and self selection by the jobseekers. Jobcentres fill around three quarters of the vacancies notified to them, 80% of these by the self selection method. It is anticipated that the self-service method will continue to be the main method of job placement in the future.

5.3. Information dissemination on jobs and vacancies

Vacancies are notified at local level to the ES network of 1,000 jobcentres. Current vacancy displays were piloted in Unemployment Benefit Offices before the launch of the ES in October 1987. Plans are now going ahead to introduce vacancy displays in all ES local offices. Jobs may also be circulated on a local area basis through a computerised network called VACS, currently being updated by a new system called SUPERVACS. A national vacancy circulation system, NATVACS, holds a selection of vacancies for skilled workers and other vacancies which might be attractive to mobile jobseekers.

5.4. Professional and Executive Recruitment (PER) is the specialist branch of the public employment service dealing with the recruitment and placement of professional, executive, managerial, scientific and technical staff. PER operates on a commercial basis, fees being charged to employers for a wide range of recruitment services. All the services to jobseekers, including attendance at half-day job hunting seminars, are free of charge. Recruitment consultants operate from a national network of 36 offices and a specialist unit located in London handles the recruitment of staff for overseas projects. The link between recruiting organisation and jobseekers is formed by Executive Post, a weekly jobs newspaper which contains details of over 400 vacancies in each issue and has a circulation of 130,000.

The Secretary of State has now received recommendations from his advisers and has decided that PER should be privatised.

5.5. Compulsory notification of vacancies

It is considered that notification of vacancies should not be compulsory since:

- * increased bureaucracy and higher administrative costs would be incurred;
- * it would infringe the basic freedom of choice of employers;
- * there would be less incentive for the employment service to be competitive and effective in the recruitment market;
- * it would have negative effects on private sector recruitment interests such as newspapers carrying advertising and private employment agencies; and
- * no increase in net employment would result from such a measure.

Chapter III: MEASURES Overview

1. Overall measures

- General
- Training
- Reform of adult training
- Modernisation of occupational training
- Apprenticeships

2. Employment maintenance measures

None

3. Measures giving aid to the unemployed

- Unemployment Benefit (UK-iii.1)
- Income Support (UK-iii.2)
- Enterprise Allowance Scheme (UK-iii.3)
- Voluntary Projects Programme (UK-iii.4)
- Restart Programme (UK-iii.5)
- Claimant Advisers (UK-iii.6)
- Jobclubs (UK-iii.7)

4. Training, retraining and occupational mobility

- Youth Training Scheme (UK-iv.1)
- Career Development Loans (UK-iv.2)
- Local Grants to Employers (UK-iv.3)
- Other Occupational Training (UK-iv.4)
- Local Training Grants (UK-iv.5)
- Access to Information Technology (UK-iv.6)
- National Priority Skills Scheme (UK-iv.7)
- Open Learning (UK-iv.8)
- Training for Enterprise (UK-iv.9)
- Wider Opportunities Training Programme (UK-iv.10)
- Training Access Point Initiative (UK-iv.11)
- The Open College (UK-iv.12)
- Job Training Scheme (UK-iv.13)

5. Job creation measures

- Community Industry (UK-v.1)
- Community Programme (UK-v.2)
- Jobshare Scheme (UK-v.3)

6. Measures in favour of special categories of people

- Handicapped (UK-vi.1)
- Race relations in employment (UK-vi.2)
- Women (UK-vi.3)

7. Measures dealing with working time

None

8. Placement measures

- Travel to Interview Scheme (UK-viii.1)

9. Others

- Technical and Vocational Education Initiative (UK-ix.1)
- National Council for Vocational Qualifications (UK-ix.2)
- MSC Involvement in Work-Related Non-Allowanced Further Education
(NAFE) (UK-ix.3)

10. Measures giving aid to redundant workers

- Redundancy payments (UK-x.1)
- Insolvency payments (UK-x.2)

1. Overall measures

1.1. General

The UK government's industrial policy is designed to create the conditions for sustainable growth in output and employment. Jobs arise when firms produce the goods and services which customers at home and abroad want at a competitive price. The government's main task is therefore to create a climate in which industry can be efficient and prosper. The UK economy is making a strong recovery with rising GDP, investment, consumer demand, productivity and employment; however, it will take time for these improvements to be reflected in a fall in unemployment.

Higher output and employment can also be encouraged by specific measures to promote competitiveness and adaptability in the economy. The Department of Trade and Industry and the Scottish and Welsh Offices have a number of schemes to assist industry. These take the form of advisory services and of financial assistance. The main emphasis of these schemes is to stimulate investment and efficiency rather than directly on creating employment since a sound industrial base is essential to achieve economic growth and a real increase in employment opportunities.

Nevertheless many of these schemes take account of the employment situation. The government's regional industrial policy is concentrated on those areas with persistently high rates of unemployment and structural decline - areas of greatest need have been designated *Assisted Areas*. Grants made under Section 7 of the 1982 Industrial Development Act (formerly the Industry Act 1972) are provided only in the Assisted Areas and only where there is a benefit to employment. In the case of new projects and expansion account is taken of the amount of new employment to be created in determining the amount of assistance given. For modernisation and rationalisation projects, the maintenance and/or safeguarding of jobs is taken into account. To be assisted, projects must be viable and an applicant has to show that the planned project would not proceed without financial assistance. Financial assistance is available also under the inplant training scheme for projects where training is an essential element and where a minimum of 25 jobs are provided. This scheme attracts a matching contribution from the European Social Fund. For service industry projects, the *Office and Service Industry Scheme* provides grants based solely on the number of jobs created.

Regional Development Grants are available under the 1982 Industrial Development Act for investment in manufacturing and some service activities in the Development Areas.

In the Assisted Areas, government factories may be available for projects creating new employment. Additionally, firms in the Development Areas and in any part of Northern Ireland are given every opportunity to tender for public contracts for the supply of goods and services under the *Contracts Preference Scheme*.

Loans are available on favourable terms from the European Investment Bank and the European Coal and Steel Community.

The government have also established a number of *Enterprise Zones* to test, on an experimental basis for a 10-year period, how far industrial and commercial activity can be encouraged by the removal of certain fiscal, planning and administrative constraints. This, it is hoped, will lead to increased employment opportunities in the areas concerned.

1.2. Small Firms

The Government aim to promote a more vigorous *enterprise culture* and stimulate the development of small businesses. They approach this as part of their broader strategy to create an economic climate which will promote sustained growth and increase jobs. This recognises that small firms need much the same climate as their larger counterparts - ie. low and stable inflation, interest rates and taxation which enable them to retain more of the rewards for success. A cornerstone of this strategy is the maintenance of free and fair competition to enable market forces to determine effectively the pattern of trade and industry. Nonetheless, there are particular disadvantages in being small, arising especially from difficulty of attracting finance; inadequate management time and business skills; gaining access to markets and coping with administrative and legislative burdens. The government, therefore, aim to design measures which help small firms to overcome these particular disadvantages:

The Department of Employment's *Small Firms Service (SFS)* is the main agency providing information from the start-up through to sophisticated diagnosis for the more established business. The Service is available through 13 Regional Small Firms Centres. Apart from providing information, it can offer confidential advice which is provided by some 300 experienced businessmen. In 1985 the Service handled 287,623 enquiries and arranged 37,553 counselling sessions.

Both the Government and Business in the Community (a private sector organisation) are encouraging large firms to play a major role in the regeneration of local communities through private sponsorship of *Local Enterprise Agencies (LEAs)*. They provide services on a local basis such as managerial and marketing advice, technical expertise, access to financial institutions and management training. There are currently over 300 LEAs with a good regional spread. They complement the help and advice available under the Small Firms Service. A 5 year scheme of financial assistance designed to establish a network of viable self-supporting Enterprise Agencies was introduced in April 1986. £2.5m was made available in the first year.

The Department of Trade and Industry (DTI) administers the *Business Improvement Services (BIS)* package of schemes to help small firms in areas affected by job losses in the steel, shipbuilding, textile, deep-sea fisheries and tin industries. Grants are available for help with marketing, management and financial advice, licensing in new products, the use of microcomputers and the purchase of fixed assets. The administration of BIS is designed to be quick and simple. The DTI also runs subsidised consultancy services to help firms with productivity, product design, quality assurance and marketing.

The Department of Employment's *Loan Guarantee Scheme*, introduced in 1981, has helped over 16,600 businesses to raise some £540 million in bank loans. The Department guarantees 70% of loans made by participating lenders and charges a premium of 2.5% per annum on the amount guaranteed.

The *Business Expansion Scheme (BES)* has helped to improve the flow of equity capital to small companies. The Scheme offers individual tax payers the opportunity to offset the value of new equity investment, in qualifying unquoted companies, against their top marginal rates of tax.

The *Enterprise Allowance Scheme (EAS)* - cfr below - was introduced nationally in August 1983. It is designed to assist people who have been unemployed and in receipt of benefit for at least 8 weeks to start their own business. It is operated by the Employment Service who can pay to eligible people an allowance of £40 per week for a year in lieu of benefits which otherwise cease when they start in business. The Scheme has proved very popular; by the end of 1987, over 300,000 people had benefited from the Scheme, and 96,000 were in receipt of the allowance. The Scheme has expanded rapidly to meet demand from some 23,000 entrants in 1983 to provision for 111,000 entrants in 1988/89.

The Department of Trade and Industry's *Support for Innovation Scheme* offers financial assistance to help firms undertake innovative research and development projects. In addition, the new *Small Firms Merit Award for Research and Technology* aims to encourage small firms to bring forward highly innovative ideas that cannot attract existing sources of funding.

A wide range of support measures are available from the *British Overseas Trade Board* to help small firms develop new and existing export markets.

Government purchasing also provides many valuable opportunities for small firms both as main and sub-contractors. Purchasing Departments aim to improve the information they provide for small firms and introduce simpler standardised procedures for them. Guidance booklets have been produced by a number of Departments.

1.3. Training

The British Government's view is that the main responsibility for the provision of training in Great Britain lies with employers. Collectively, they should provide for industry's skill requirements. The government believes that if the country is to become more competitive much more importance needs to be attached to training. Particular importance is attached to initial/foundation training and the government therefore provides financial support to employers towards the costs incurred. The government's principal role is to stimulate training provision by means of awareness campaigns, grants to employers, measures to increase the responsiveness of training provision to employers' needs, the development of more flexible and cost effective training methods and to make a direct contribution through adult and youth training programmes. Most of government's action on training is carried through by the Training Commission - the country's national training authority.

An outline of the Training Commission's principal activities is set out below:

TVEI

The Technical and Vocational Training Initiative (TVEI) was launched in 1983 to explore and test new ways of managing the education of 14-18 year olds across the ability range in a cost-effective manner so that the curriculum in schools and colleges would be more relevant and practical to the world of work. Some 800 schools and colleges involving around 80,000 young people are participating in this Initiative.

YTS

YTS, the Youth Training Scheme, is a comprehensive programme of vocational training, education and work experience designed to prepare young people for working life. Operating throughout Great Britain, YTS was first introduced as a one year programme in 1983, but from April 1986 it has offered up to two years' full-time training for school leavers. YTS is now accepted as a permanent feature of foundation training in Britain with over 70% of 16 year old school leavers joining the scheme. Support for the first two years of apprenticeships is available under YTS.

Adult training

On adult training, a major new training programme has been developed for introduction in 1988. All of the government's existing training programmes for unemployed people over 18 are brought together into a single new training programme. The new programme, called *Employment Training*, embraces two of the major existing schemes: the Community Programme and the Job Training Scheme. It involves a substantial reform of the Community Programme, including a major enhancement of the training element.

It will have an annual budget of just under £1.5 billion. When fully operational, it will provide training for about 600,000 persons a year. Long-term unemployed people are the Programme's priority target. The emphasis will be switched away from providing temporary jobs as an alternative to unemployment and towards providing training to help unemployed people get into permanent jobs.

Employment Training will provide up to 12 months training for anyone who has been out of work for more than six months. "Training agents" will assess the needs and aptitudes of individuals, draw up a personal training plan for each, and place them with a suitable training provider. Training providers will include employers, chambers of commerce and voluntary and training bodies. Managing agents of the Community Programme and JTS will play a full part.

The new programme will provide training and practical experience with employers and projects. The emphasis will be on practical learning to help people get back into jobs.

The British government is also active in developing the country's training system. These activities fall into four main categories:

- * helping to develop infrastructure to provide effective channels for employers' views on training needs. This involves some 100 *Industry Training Organisations (IOTs)*, which attempt to improve their industry's ability to monitor and respond to skill shortages. Over 100 *Local Employer Networks (LENs)* have also been established to increase the effective involvement of employers in the planning and delivery of vocational education and training (VET).

- * broadening employers' and individuals' access to training. *Training Access Points (TAPs)* are being established to provide a national network of information, advice and guidance to individuals and employers about VET opportunities. *Open learning* is being developed as a major force for increasing responsiveness by allowing training to be undertaken at a place, time and pace suitable to the individual. The *Open College* began operations in September 1987 and is making a significant contribution to the promotion of open and flexible learning methods.

- * working to make training providers more responsive to the needs and particular circumstances of firms and individuals. Developments of *Non-Advanced Further Education (NAFE)* are designed to ensure that this area of further education is related more closely and cost-effectively to employment needs. *Local collaborative projects* are designed to bring together local employers and training providers to identify and meet employers' training needs.

- * building up a better training information base. A system known as *Computer Assisted Local Labour Market Information System (CALLMI)* is being developed as a major source of local information for use in the planning and delivery of the Training Commission's services. The *Skills Unit* run by the Training Commission has been established as a reference point for information on skills' supply and demand issues. A *funding study* was launched in April 1986 with the aim of providing the first comprehensive and systematic description of VET funding in Great Britain.

3. Measures giving aid to the unemployed

- Unemployment Benefit (U.K.-iii.1)
- Income Support (U.K.-iii.2)
- Enterprise Allowance Scheme (U.K.-iii.3)
- Voluntary Projects Programme (U.K.-iii.4)
- Restart Programme (U.K.-iii.5)
- Jobclubs (U.K.-iii.6)

UNEMPLOYMENT BENEFIT (UB)

Aim

To ensure compensation for workers involuntarily deprived of employment.

Legal basis

Social Security Act 1975 and consequent regulations.

Contents

Field of application and conditions for admission: see Chapter II(4).

UB is basically payable for 312 days, excluding Sundays at £32.75 a week to unemployed persons who are capable of work and are available for employment as an employed person and who satisfy contribution conditions. There is an extra £20.20 payable for an adult dependant, subject to any earnings that person may have.

Financial resources

Expenditure is covered by employer and employee unemployment contributions (Department of Health and Social Security).

Institutional support

The Employment Service on behalf of the Department of Health and Social Security.

INCOME SUPPORT

Aim

To provide a general safety net for those in financial need either because they do not qualify for unemployment benefit, or because UB is not enough.

Legal basis

Supplementary Benefits Act (1976) and consequent regulations. Income Support (General) Regulations 1987.

Contents

The claimant's, partner's and dependant's resources are offset against their needs to produce their benefit assessment.

The main allowances are for single people, couples and children, with additional premiums for families, lone parents, pensioners and the disabled. Payment towards certain housing costs can also be made.

All allowances are dependant on age. Standards amounts (April 1988):

Single under 18	£19.40
Single 18-24	£26.05
Single 25 and over	£33.40
Lone parent under 18	£19.40
Lone parent 18 and over	£33.40
Couple both under 18	£38.80
Couple at least one over 18 or over	£51.45

Financial resources

Being non-contributory, IS is paid from the budget of the Department of Health and Social Security.

Institutional support

IS is controlled by the Department of Health and Social Security, but payment to unemployed people is normally carried out by the Department of Employment acting as DHSS agent.

ENTERPRISE ALLOWANCE SCHEME

Aim

To help unemployed people start up in business.

Legal basis

Employment and Training Act 1973.

Contents

Scheme pays a flat-rate taxable allowance of £40 per week for the first year whilst the business is being established. Applicants must have been unemployed for at least 8 weeks and must be in receipt of unemployment or income support (from April 1988) at the time of application. They must also show that they have £1,000 which they intend to invest in the business. The scheme was piloted in Coventry, Medway, part of North East Lancashire, Deeside (in North East Wales) and North Ayshire (in Scotland) and was extended throughout Great Britain from 1 August 1983. Participants receive the allowance for a maximum of 52 weeks.

Financial resources

1987/88 estimated expenditure was £199m.

Institutional support

The scheme is operated by the Employment Service, with help from the Department's Small Firms Service.

Duration

Indefinite

Effects

At December 1987, 96,000 people were on the Scheme. This number was expected to increase to 110,000 in 1988/89. Since its introduction the Scheme has helped more than 305,000 people to start their own business.

VOLUNTARY PROJECTS PROGRAMME (VPP)

Aim

To provide a range of informal training activities for unemployed people which will help them develop existing skills or learn new ones to enable them to progress into jobs, self employment, formal training or further education.

Legal basis

Employment and Training Act 1973.

Contents

The Voluntary Projects Programme was introduced in August 1982. It operates through project sponsors - largely from the voluntary sector. The range of projects for unemployed people which can be funded includes literacy and numeracy, computer skills, office skills, jobsearch skills and environmental skills.

Taking part on a VPP project should not normally affect any benefits that participants may be receiving.

There is a strand to VPP which offers structured programmes which require unemployed participants to make a definite and substantial commitment to a project. They receive a weekly allowance rather than statutory benefits. This strand of the programme is known as *VPP(T)*.

Financial Resources

1987/88 £13.8m.

Institutional support

The scheme is run by the Training Commission on behalf of the Department of Employment.

Duration

Ongoing. However, VPP will form part of the new adult training programme from 5 September 1988.

Effects

Around 350 projects are supported throughout the country. These are funded on an annual basis. It is anticipated that during 1987/88 around 90,000 participants will have taken part in the Programme.

RESTART

Aim

To interview people who have been out of work for 6 months or more, and to provide advice and help to get them back into employment - either directly into jobs or Community Programme places, or indirectly through training on other schemes.

Legal basis

Employment and Training Act 1973.

Contents

Restart was launched as a pilot scheme on 6 January 1986 and given national coverage from 1 July 1986. All those out of work for 6 months or more are invited into their local Jobcentre for a counselling interview. At the interview the client's situation is discussed to identify and secure commitment to a course of action which will enhance his/her work prospects. The course of action agreed may include referral to another government scheme, such as the Community Programme, submissions to a suitable job, an introduction to the Enterprise Allowance Scheme leading to self employment, an opportunity to undertake voluntary work, or a chance of a place on a Jobclub or a training scheme. If appropriate, clients will also be submitted for specialist help eg with a Disablement Resettlement Officer. The programme also includes short Restart Courses to help with the process of seeking jobs, and a Jobstart Allowance is offered to those taking up full-time employment which pays less than £80 a week.

Financial resources

Original pilot scheme programme expenditure 1985/6 was £0.089m. 1987/88 estimated expenditure was £54m.

Institutional support

The scheme is run by the Employment Service.

Duration

By the end of March 1987, all those who had been unemployed for more than 12 months had been interviewed and offered help. From April 1987, those reaching 6 months unemployed were included in the Programme. Interviews are now being offered at 6-monthly intervals to those who remain.

Effects

Between July 1986 and March 1988 4.4. million people were contacted, 3.5 million interviewed and 89% of those were offered positive help.

CLAIMANT ADVISERS

Aims

- * To ensure, through individual counselling, that claimants are available for and actively seeking work.
- * To advise on availability conditions and alternative benefits for which availability is not a requirement.
- * To encourage and support claimants in the process of looking for work and advise them of Services available through the Employment Service and MSC.
- * To prepare cases for submission to the adjudicating authorities where availability is in doubt.

Contents

Following the implementation of the Restart Programme for long term unemployed claimants, it was decided that responsibility for counselling all unemployed claimants about jobs, training and re-employment opportunities should rest with one Department, together with the responsibility for testing availability. It was therefore decided that Unemployment Review Officers (DHSS) would be replaced by Claimant Advisers. By the beginning of April 1987 there were some 650 EO graded Advisers covering all Unemployment Benefit Offices nationally.

Claimant Advisers are specialist staff, trained in interviewing skills, with an extensive knowledge of the labour market and the help available to unemployed people, knowledge which they continuously expand and update. The case-load comes from a variety of sources and they may conduct more than one interview with some claimants, providing continuing support over a number of weeks if this is likely to achieve a positive outcome.

Financial resources

1987/88 Operational costs were around £12.5m.

Institutional Support

Claimant Advisers are part of the operational resources available to the Employment Service.

Duration

On-going

Effects

Over 500,000 interviews had been conducted by April 1988.

JOBCLUB

Aim

To help long term unemployed people help themselves to get the best possible job in the shortest possible time.

Legal basis

Employment and Training Act 1973.

Contents

Jobclubs provide members with the skills required to conduct a successful jobsearch. They are run by leaders who provide 8 half-day training sessions over a two-week period. The training sessions are designed to increase motivation, introduce a range of jobsearch techniques and improve performance at interview. Members are provided with typing, photocopying and telephone facilities as well as stationery and stamps to aid them in their job-hunting. Following the formal training, members are expected to attend the jobclub on four half days per week and to follow up ten job leads per day until they are successful in obtaining a job.

Financial resources

1987/88 estimated expenditure was £25m.

Institutional support

The scheme is operated by the Employment Service. The scheme has now been extended and jobclubs also operate through external providers.

Duration

Ongoing.

Effects

At end March 1988, 1204 Jobclubs were operating, including 666 Agency Jobclubs. The scheme is currently expanding with a target of 1,500 jobclubs by the end of 1988/89.

4. Training, retraining and occupational mobility

- Youth Training Scheme (U.K.-iv.1)
- Career Development Loans (U.K.-iv.2)
- Local Grants to Employers (U.K.-iv.3)
- Other Occupational Training (U.K.-iv.4)
- Local Training Grants (U.K.-iv.5)
- Access to Information Technology (U.K.-iv.6)
- National Priority Skills Scheme (U.K.-iv.7)
- Open Learning (U.K.-iv.8)
- Training for Enterprise (U.K.-iv.9)
- Wider Opportunities Training Programme (U.K.-iv.10)
- Training Access Point Initiative (U.K.-iv.11)
- The Open College (U.K.-iv.12)
- Job Training Scheme (U.K.-iv.13)

The government supplements industry's own training efforts by channelling funds through the Training Commission to support the work of the Industrial Training Boards and other national training organisations.

Adult Training Strategy

Through the promotion of the Adult Training Strategy TC aims to :

- (i) Generally raise awareness about the need for urgent action on adult training and to encourage a more positive environment among employers, trainers and individuals.
- (ii) Specifically to concentrate the attention of particular groups, eg small businesses, on relevant training problems and on how appropriate action can be taken.
- (iii) To undertake particular tasks to promote TC's Adult Training Programmes and the other initiatives which contribute to the objectives of the Strategy eg encourage local collaboration in training and to improve access to, and to provide better information about adult training.

TWO YEAR YOUTH TRAINING SCHEME

Aim

To provide two years training for 16 year old school leavers, combining work experience and a minimum of 20 weeks "off the job" training (a minimum of 7 weeks for 17 year olds). Introduced in April 1986, it supersedes the one year Training Scheme.

Legal basis

Employment and Training Act 1973.

Contents

Two year YTS provides training in greater depth and of higher quality than the one year programme. It is intended that all trainees should be given the opportunity to gain a recognised vocational qualification or credit towards one. The quality of training is being secured by a number of developments, including the requirement that from 1 April 1988 no organisation will be able to provide YTS unless it is an Approved Training Organisation.

Two year YTS is open to both employed and unemployed young people. Trainees eligible for two years of training receive an allowance of £27.30 a week in the first year and £35 a week in the second year.

Financial resources

Government expenditure on one year YTS in 1985/86 was around £850 million, including administration costs. The Government will be contributing well over £1 billion a year towards the cost of two year YTS once the programme builds up to full volume.

Institutional support

Operated by the Training Commission.

Duration

Operational from April 1986, two year YTS will be a permanent feature of the vocational education and training system.

Effects

The one year YTS carried a Government undertaking that all 16 year old school leavers remaining unemployed would be offered a suitable place by Christmas of the year they left school. This undertaking was substantially met in each of the first three years of YTS, during which time over a million young people took part and around 60 per cent of leavers found jobs.

The Government now guarantees two years training for unemployed 16 year old school leavers. Some 360,000 young people will join two year YTS each year so that up to half a million will be participating in training at any one time.

CAREER DEVELOPMENT LOANS

Aim

To test the market for loans for vocational training.

Legal basis

Employment and Training Act 1973

Contents

The scheme operates in four pilot areas: Aberdeen, Bristol and Bath, Greater Manchester and Reading and Slough. People over 18 living or wishing to train in one of these areas may apply for loans for vocational courses of their own choice.

Institutional support and financial resources

The scheme is administered on behalf of the Department of Employment by three commercial banks who hope to make available £12 million worth of loans over a three year period.

Duration

A three year pilot scheme, launched in April 1986.

LOCAL GRANTS TO EMPLOYERS (LGE)

There are two forms of assistance available to employers under LGE which have been nationally delivered since July 1985, sharing the same aim:

Aim

To demonstrate to employers that well planned training has a direct effect on a company's business performance.

LOCAL CONSULTANCY GRANTS

Contents

The scheme encourages employers to provide more effective training for their employees by seeking professional advice. The consultancy exercise must normally be completed within 3 months.

Financial resources

Expenditure in 1985/86 was £539,000. In 1986/87 planned expenditure was £1.5m.

Institutional support

It is operated by the Vocational Education and Training Group Area Offices of the Training Commission.

Duration

Ongoing.

Effects

In 1985/86 around 550 projects were assisted. In 1986/87 it was planned to assist 1,670 projects.

OTHER OCCUPATIONAL TRAINING

Aim

To provide unemployed people with intensive occupational training in skills in immediate priority demand in mainly local labour markets where there is evidence that adequate alternative provision has been unable to satisfy that demand.

Legal basis

Employment and Training Act 1973.

Contents

A wide range of training courses are supported including those in construction, commerce, hotel and catering, engineering, management, computing and the new and high technologies.

This training is provided by the Skills Training Agency, Colleges of Further and Higher Education, private training providers and by employers' training centres. Courses may be part or full-time or delivered on an open learning basis and can last up to 52 weeks.

Financial resources

In 1985/86, the scheme cost about £153m. It was planned to spend about £154m on training in 1986/87 and some £115m in 1987/88.

Institutional support

Administered by the Vocational and Education Training Group of the Training Commission.

Duration

Ongoing.

Effects

In 1985/86 about 53,900 started training on this programme. 36,300 were planned to start training in 1987/88.

LOCAL TRAINING GRANTS (LTG)

Contents

Employers choose the training they want for their workforce and the method of delivery. It must usually be completed within a year of starting although small firms may be allowed up to 2 years.

Financial resources

Expenditure in 1986/87 was around £27m.

Institutional support

It is operated by the Vocational Education and Training Group Area Offices of the Training Commission.

Duration

Ongoing.

Effects

In 1985/86 around 53,000 were trained with LTG assistance. Some 80,000 were trained in 1986/87.

ACCESS TO INFORMATION TECHNOLOGY (AIT)

Aim

The scheme aims to promote a significant increase in the level of awareness of information technology in the adult working population.

Contents

The training courses are designed to give a general introduction to new technology. They are run out of normal working hours either in the evening or at weekends. The maximum length of the course is 30 hours.

This scheme has been nationally delivered since July 1985.

Financial resources

Expenditure in 1985/86 was £968,000. In 1986/87 it was planned to spend £1.3m.

Institutional support

It is operated by the Vocational Education and Training Group Area Offices of the Training Commission.

Duration

1987/88 is the last year that AIT will run.

Effects

In 1985/86 28,200 people were trained. In 1986/87 it was planned that 31,000 people would be trained.

NATIONAL PRIORITY SKILLS SCHEME

Aim

To encourage training which is significant in national economic terms and encourage development in training by employers, leading eventually to improvements in the training infrastructure.

Legal basis

Employment and Training Act 1973.

Contents

Grants are made available through Industrial Training Boards, Non-Statutory Training Organisations and exceptionally, where none exists, other national training bodies to employers to assist in the development and provision of training in skills of national economic importance.

Courses may be as short as a few days eg for updating training, or up to 50 weeks in some circumstances. Development projects may be longer, occasionally spread over 2 years.

Financial resources

1986/87 approximately £10m.

Institutional support

Operated by the Vocational Education and Training Group of the Training Commission.

Duration

Ongoing.

Effects

It is planned to directly help in the training of 12,000 people per annum and expected that long term benefits will accrue from the results of development projects undertaken with grant support.

OPEN LEARNING

Aim

The aim of the programme, launched in 1982, is to extend the training and updating opportunities available to adults at technical and supervisory/management levels of skill. It provides opportunities for training through open learning to meet identified labour market needs in circumstances where traditional provision is not appropriate.

Legal basis

Employment and Training Act 1973.

Contents

Open learning means enabling people to learn at a time, place and pace which suits them, thus breaking down geographical, personal and institutional barriers which can prevent adults from gaining access to conventional forms of training.

The programme provided 'pump-priming' finance for a series of collaborative projects run by the colleges, employers, national or local training organisations. At the end of the 'pump-priming' period, projects are expected to be self-sustaining. The projects are concerned either with developing open learning materials or providing support for other projects in the Programme.

Financial resources

The Commission spent £37m up to 31 March 1986 in developing open learning projects and materials.

Institutional support

Operated by the Vocational Education and Training Group of the Training Commission.

Duration

The whole programme ran until 31 March 1987 since when it has continued unfunded by Government.

Effects

Some 32,000 learners had been helped by March 1986 and some 140 projects have been established. 50,000 learners are expected to have used Open Tech materials by the end of the programme. Since materials are still being produced and will continue to be available when the programme is complete, the numbers of users are expected to continue to grow substantially after March 1987.

TRAINING FOR ENTERPRISE (TFE)

Aim

To equip potential and existing entrepreneurs with the skills and knowledge required successfully to launch, manage and develop a small business, and also to develop a more enterprising culture in Britain by changing the traditional attitudes for training, personal enterprise and employment.

Legal basis

Employment and Training Act 1973.

Contents

A range of programmes intended for any individual wishing to set up a business or become self-employed; participants are given expert guidance in the preparation of practical and detailed business plans and given a grounding in subjects like marketing, finance, legislation, etc.

A portfolio of courses for owners/managers of existing businesses. These include short courses in management subjects like financial control, taxation and marketing in which they may lack knowledge or experience and which will help them, in time, expand their businesses.

Courses are provided by leading Business Schools, further education colleges and private training providers. They vary in length depending upon the needs of individual.

Financial resources

In 1985/86 the scheme cost about £11.7m and in 1986/87 the planned cost was £18.8m.

Institutional support

Administered by the Vocational and Education Training Group of the Training Commission.

Duration

Ongoing.

Effects

In 1985/86, 19,700 were helped through TFE provision; in 1986/87 the corresponding figure was planned to be 46,300.

WIDER OPPORTUNITIES TRAINING PROGRAMME (WOTP)

Aim

To help unemployed people improve their work-related skills, regain confidence and motivation, maintain their employability and increase their chances of obtaining jobs or further training.

Legal basis

Employment and Training Act 1973.

Contents

Individual courses are designed to meet the needs of specific client groups and of local labour markets including training needs, assessments, short occupational skills modules or sampling, basic skills, new technology awareness training, job hunting techniques and awareness training for self-employment.

Financial resources

In 1985/86 WOTP cost some £23.9m. In 1986/87 estimated expenditure on WOTP was £10.4m.

Institutional support

Administered by the Vocational and Education Training Group of the Training Commission.

Duration

Ongoing.

Effects

In 1985/86 about 54,900 started WOTP courses. In 1986/87 the planned figure was 44,700.

TRAINING ACCESS POINT (TAP) INITIATIVE

TC PILOT SCHEMES

The Training Access Point (TAP) initiative - As part of its responsibilities to make the training market function more effectively the TC has begun work on a major new initiative designed to make a radical improvement in the accessibility of vocational education and training provision. Computerised Training Access Points (TAPs), sited for example in Jobcentres, public libraries and possibly high street shops, will allow easy access to both national and local training information. Local TAP networks will be supported by an advisory agent who will help individuals and companies interpret the information and put together suitable training packages. During 1986/87 TC tested the viability of the TAP concept by running a limited number of pilot projects at a cost of up to £2.5 million. TAP is being developed in close consultation with the Department of Education and Science. During 1988/89 the network will be extended to 200-250 TAP's at a cost of £8.65m.

THE OPEN COLLEGE

Aim

The aim of the Open College is to make learning easier and more accessible to everyone.

Contents

The College, launched in July 1986, brings together a range of open learning opportunities that can lead to a recognised qualification or a credit towards one. It co-ordinates the teaching, broadcasting and financial resources of TV and radio companies, examination bodies, vocational and education training centres such as colleges of further education, employer training schools and major companies to provide a significant expansion in Open Learning.

The objective is to provide a wide range of courses to meet the needs of individuals and employers.

The Open college is an independent company limited by guarantee and is a registered charity.

There has been an enormous amount of interest from those in work and out of work who want to improve their prospects by improving their skills and by widening their areas of knowledge; from employers who see how beneficial the College will be for training their workforce and from professional bodies and educational institutions of all kinds.

What the Open College provides

The College makes available counselling, tutorial support, and local practical training facilities, with assessment and certification of performance. It co-operates in the production of broadcasting and written materials and attracts commercial sponsorship. It is also responsible for marketing the college provision at home and abroad and ensures that the necessary materials and support services are available to those who have enrolled.

Financial resources

The central activities of the College, including the development of courses, written material and production of TV and radio programmes are being funded by sponsors including the government and major companies. The College will also earn income from the sale of course material and is expected to become self-supporting.

JOB TRAINING SCHEME

Aim

To give six months directed training and linked practical experience leading to a recognised vocational qualification, or a credit towards one, to long-term unemployed people, with particular emphasis on people aged between 18 and 25, and training in new technology.

Legal basis

Employment and Training Act 1973.

Contents

Training is administered by Managing Agents. Each trainee undergoes an assessment course lasting one week and then is given an individual training plan agreed by both the trainee and the Managing Agent. Training is provided in a wide range of skills and industrial sectors and includes training for self-employment if required. Courses last between three and twelve months with a typical length of six months.

Financial resources

In 1986-87 the scheme operated on a trial basis in ten pilot areas. Expenditure was expected to be about £0.3m. In 1987-88 there was provision for expenditure of £216m.

Institutional support

Administered by the Vocational and Education Training Group of the Training Commission.

Duration

Ongoing. From September 1988 JTS is absorbed into the new programme of Employment Training.

Effects

In 1986/87 about 2,900 were trained in the pilot areas. In 1987/88, it is estimated that some 232,000 people will have benefited from training under the scheme.

5. Job creation measures

- Community Industry (U.K.-v.1)
- Community Programme (U.K.-v.2)
- Jobshare (U.K.-v.3)

COMMUNITY INDUSTRY (CI)

Aim

To improve the employment prospects and assist in the personal development of personally and socially disadvantaged unemployed young people aged 17 to 19 years.

Legal basis

Employment and Training Act 1973.

Contents

The scheme provides a structured framework of temporary employment of a practical nature and which is of benefit to the community. Participants stay on the scheme for up to one year.

Financial resources

1986/87 estimated expenditure £25.5m.

Institutional support

The scheme is funded by the Department of Employment and the grant is administered by the Training Commission. The sole provider of the scheme since 1 May 1984 has been a limited company with charitable status, Community Industry Limited.

Duration

Ongoing.

Effects

Around 7,000 young people are taking part at any one time.

COMMUNITY PROGRAMME

Aim

To help long-term unemployed people by providing jobs of up to a year's duration on projects which will make a significant contribution towards increasing the long term employment prospects of participants and also result in the creation of something of practical benefit to the community.

Legal basis

Employment and Training Act 1973.

Contents

Participation on the Programme is open to those jobseekers aged between 18 and 63 who have been continuously unemployed for the previous 12 months (6 months for disabled people). Additionally, applicants should currently be in receipt of an appropriate State Benefit. Participants are paid the local rate for the job - subject to an overall average of £67 per week - and stay on schemes for a maximum of 52 weeks.

To secure support under the Community Programme, projects must make a significant contribution to participants' long term employment prospects, contribute something of specific practical value to the community and involve work which would not otherwise be done, thereby avoiding putting other jobs at risk. Within these broad criteria, projects are of three main types:

- * those which provide services to improve the quality of life for the community and for particular groups such as the disadvantaged, disabled people, elderly people, young people and children;
- * those which improve the environment, for example by landscaping derelict land, renovating canals, nature conservation and restoring footpaths;
- * those which carry out some construction work, such as providing new buildings, eg. community centres or renovating and refurbishing older ones, eg. derelict factories, mills or other premises. Other projects carry out a wide variety of useful work including home insulation, archaeology and library and museum work.

42% of Community Programme projects are sponsored by local authorities. Voluntary organisations sponsor 52%, with the remaining 6% sponsored by a variety of organisations such as private firms, health authorities and universities.

Financial resources

1987/88 expenditure in excess of £1.1bn.

Institutional support

Administered by the Training Commission on behalf of the Department of Employment.

Duration

To be replaced on 5 September 1988 by the new Employment Training. Any participant who started before 1 March 1987 is entitled to up to a full 52 weeks under the old terms and conditions.

Effects

At end of September 1987 over 228,000 people were being supported.

JOB SHARE SCHEME (formerly the Job Splitting Scheme)

Aim

A specific type of worksharing focused directly on preventing and reducing unemployment.

Legal basis

Employment Subsidies Act 1978.

Contents

Jobshare is designed to encourage employers to split existing full-time jobs into two part-time jobs and so open up more job opportunities for unemployed people.

Jobs may be created in three ways

- * by splitting existing full-time jobs

- * by creating new part-time jobs (for people leaving government schemes)

- * by combining regular overtime hours into a part-time job.

A grant of £1,000 comprising an immediate payment of £500 followed by two further payments of £200 after 26 weeks and £300 on completion is paid to an employer who creates a part-time opportunity and keeps it filled for 12 months.

Financial resources

1987/88 (estimated expenditure) £0.77m.

Administration

Jobshare is administered by an Employment Measures Units within the Employment Service.

Duration

Ongoing. The scheme came into operation on 3 January 1983.

Effects

At the end of January 1988, 896 split jobs were being supported (including continuing Job Splitting Scheme).

6. Measures in favour of special categories of people

- Handicapped (U.K.-vi.1)
- Race relations in employment (U.K.-vi.2)
- Women (U.K.-vi.3)

HANDICAPPED

The UK approach is to maintain the level and quality of assistance to people with disabilities and, if possible, to provide more effective assistance to a greater number of people within the resources available. Some £ 125 million was spent on the services described below in the 1986/87 financial year. The approach has four main strands:

1. to develop and improve the encouragement currently given to employers to employ people with disabilities.

In November 1984 the Government launched a voluntary *Code of Good Practice on the Employment of Disabled People*, which was drawn up after consultation with a wide range of interested parties including representatives of people with disabilities, employers and workers. The Code draws together good practices in all the areas of employment - recruitment, training, promotion and the retention of employees who become disabled - and lists the wide range of special assistance available. The European Commission and Council have explicitly recognised that the Code meets the spirit of the recommendation in their Recommendation of 24.07.86 on the Employment of Disabled People that policies should provide for each Member State to make available a Guide or Code.

Officials of the *Disablement Advisory Service (DAS)*, which is part of the DE's Employment Service, regularly visit employers to help and encourage them to improve job opportunities for people with disabilities on the basis of the Code and the complementary training videos: *It Worked Fine* and *It Can Be Done*.

The *Fit for Work* Award Scheme aims to increase general awareness of the abilities of people with disabilities by giving awards to employers in recognition of outstanding achievements in the employment of people with disabilities.

Following a review of the *Quota Scheme* in 1985, the Government accepted the recommendations for:

- (i) promoting the image of the Scheme, and
- (ii) research, which it has since been decided should include:
 - * a household based survey of the distribution, characteristics and attitudes towards registration of people with disabilities, and
 - * a survey of employers covering their attitudes towards Quota and the impact of the DAS and the Code. Decisions on the future of the Quota Scheme will not be possible until the results of the research have been received and evaluated.

2. to maintain and improve the assistance available to people with disabilities through services administered by the Employment Service.

Many people with disabilities use the mainstream placing services provided by Jobcentres; wherever possible they are encouraged to do so. *Disablement Resettlement Officers (DROs)* provide a specialist service for those whose health problems or disabilities pose a particular difficulty in getting a job. 83,600 people with disabilities were placed in work in the year ended March 1987. The Employment Service also offers a range of special schemes which help people with disabilities to overcome the problems they encounter in getting or keeping a job (eg. special equipment, help with the extra cost of travel to work, a personal reader service for blind people). There were some 6,000 new beneficiaries in 1986/87.

3. to provide facilities for assessment and rehabilitation of people with disabilities.

The TC's *Employment Rehabilitation Service* provides special help through 26 Employment Rehabilitation Centres (ERCs), 4 ASSET Centres and through non-government organisations which act as Rehabilitation Agents. Major changes were made in 1987, including:

- * the introduction of mobile assessment teams;
- * better use of TC and ES mainstream programmes and the use of work experience with employers as part of the rehabilitation process;
- * the development of modules within rehabilitation courses in jobsearch techniques, literacy and numeracy and core skills; and
- * the development of part-time rehabilitation (particularly for women).

4. to provide financial support for job opportunities for people who are not able to achieve the normal level of performance required by employers.

On 31 March 1987 this programme provided a total of 17,400 jobs for severely disabled people: 14,716 in Sheltered Employment (8,934 in Remploy factories and 5,782 in local authority and voluntary body sheltered workshops) and 2,684 in the Sheltered Placements Scheme, which enables severely disabled people to work in open employment alongside the rest of the workforce and to be paid the same rate for the job.

RACE RELATIONS IN EMPLOYMENT

The Race Relations Act 1976, which applied to the whole of Great Britain but not to Northern Ireland, makes it unlawful to discriminate on grounds of colour, race, nationality, ethnic or national origins. It makes it unlawful for an employer to discriminate in recruitment, in arrangements for promotion, training or transfer, in dismissal or treatment or in the provision of benefits, facilities or services. It does allow certain organisations to take positive action to limit access to training to certain groups in specific work in which they have been under-represented. It does not permit reverse discrimination or discriminatory advertisements.

Persons suffering from discrimination in employment may have their case heard by an industrial tribunal. There are penalties for noncompliance with the law and compensation may be awarded to victims.

The Department of Employment and the Training Commission provide employment and training services and special programmes to all regardless of race. The TC and the ES have adopted a flexible approach in seeking to identify the special needs of ethnic minorities and to make programmes more responsive to their special needs to encourage them to use them to the full.

The TC meets the cost of the Industrial Language Training Service which provides facilities for improving the English language skills of workers, mainly Asians, to help them realise their full potential. It also incorporates work related language training in literacy and numeracy courses and in skills training courses.

The Department of Employment employs 26 Race Relations Advisers who offer a free specialist service to employers giving help and guidance on the Race Relations Act and problems which can arise within a multi-racial workforce, eg. cultural differences, communication, religious observance during working time, extended leave, etc.

The Race Relations Act also established the Commission for Racial Equality which has a statutory duty to work towards the elimination of racial discrimination and to promote equality of opportunity between persons of different racial groups generally. It has discretion to assist individuals who consider they have been discriminated against and may conduct formal investigations for any purpose connected with its statutory duties.

WOMEN

All training provided by government agencies is open to women on equal terms with men. The Training Commission has also developed a small programme of **positive action for women**. This includes training in areas where women have traditionally been underrepresented; training for women who have been absent from the labour force for some time; and a range of experimental training schemes, research projects, and awareness-raising activities. The wider opportunities for women courses, for example, are designed to meet the specific training needs of women wishing to return to work after a period of domestic absence, such as lack of confidence, obsolete skills etc and to concentrate on managerial/supervisory and new technology occupations. A programme of training for potential entrepreneurs was started in 1984 and women are well represented.

The Sex Discrimination Act allows for the training of women only (or of men only) in non-traditional skills for those who have been out of employment because of domestic or family responsibilities.

8. Placement Measures

TRAVEL TO INTERVIEW SCHEME

Aim

To assist unemployed workers to look for work by paying the cost of travelling to interviews beyond normal daily travelling distance.

Legal basis

Section II of the Employment and Training Act 1973.

Contents

Assistance is given towards the travelling costs of attending a pre-arranged interview beyond normal daily travelling distance of the applicant's home. To be eligible, the applicant must have been unemployed for at least four weeks. The job must be more than 21 hours a week and be expected to last for more than one year with expected gross weekly earnings of less than £225.

Financial resources

1987/88 expenditure was estimated at around £925,000.

Institutional support

The scheme is administered by the Employment Service, through its network of jobcentres and offices of the Professional and Executive Recruitment. Applications are submitted to a jobcentre before travelling to the interview.

Duration

Ongoing

Effects

Take-up was around 34,000 in 1987/88.

9. Others

- Technical and Vocational Education Initiative (U.K.-ix.1)
- National Council for Vocational Qualifications (U.K.-ix.2)
- MSC Involvement in Work Related Non-Advanced Further Education (NAFE)
(U.K.-ix.3)

TECHNICAL AND VOCATIONAL EDUCATION INITIATIVE (TVEI)

TVEI is a pilot scheme funded by the government to stimulate the provision of technical and vocational education for 14-18 year olds in the education system through a series of pilot projects. The purpose of the scheme is to explore and test methods of organising, managing and resourcing readily reproduced programmes of education of this nature and the kind of programmes, curriculum and learning methods required for success.

In July 1986, the Government announced its intention to extend the pilots into a national scheme, giving all young people aged 14-18 access to a wider and richer curriculum based on the lessons emerging from the pilots.

Aim

To stimulate the provision of technical and vocational education for 14-18 year olds in the education system through a series of pilot projects managed by participating education authorities. By 1987 103 pilot projects had started. TVEI extension programmes commenced in 1987.

Legal basis

Employment and Training Act 1973.

Contents

Projects offer four year programmes, starting at 14 years of age, of full time general, technical and vocational education including appropriate work experience.

Financial resources

The total funding available for the pilot projects was in the broad order of £250m. The extension is being funded at an average of £90m pa over ten years.

Institutional support

Education Authorities involved in TVEI are responsible for the formulation and delivery of project proposals. TC administers the Initiative as a whole, working in close liaison with the Department of Education and Science, Her Majesty's Inspectorate of Schools, Department of Employment, the Welsh Office and Scottish Office.

Duration

5 year pilot schemes, and 5 year extension programmes with staggered entry.

Effects

By September 1986 some 65,000 students had begun a TVEI programme. Over 100,000 pupils in some 700 schools and colleges will participate over the lifetime of the pilots. It is the intention that all education authorities in Great Britain should participate in the extension of TVEI.

NATIONAL COUNCIL FOR VOCATIONAL QUALIFICATIONS

The National Council for Vocational Qualifications (NCVQ) was established, as a company limited by guarantee, in September 1986. Its creation was a result of the Government's acceptance of the main recommendations of the Review of Vocational Qualifications carried out in 1985/86. Its purpose is to create a clear, coherent and easily understood system of vocational qualifications in England, Wales and Northern Ireland. It will be funded initially by Government, but should become financially self-supporting by 1990/91.

Aim

To design and put in place a new framework for vocational qualifications which is relevant to users' needs, is comprehensible, is accessible, provides for progression and recognises competence and capability in the application of knowledge and skill.

Legal basis

Employment and Training Act 1973.

Contents

The NCVQ will accredit qualifications within the new vocational qualifications structure. It will also develop arrangements for setting standards, testing skills and credit recognition and transfer.

Financial resources

Administrative costs for the NCVQ are estimated at £3m a year. These will be met initially by Government, but the NCVQ is expected to become financially self-sufficient (largely accreditation levy) by the beginning of 1990/91.

Institutional support

The NCVQ will work closely with Government (who will fund the Council in its initial years), the TC, the Secondary Examinations Council and all certifying and examining bodies including professional institutions.

Duration

The NCVQ is intended to be a permanent body.

Effects

The design criteria for the new qualifications' framework was agreed early in 1987, with first accreditations being made by summer of that year. The framework should be fully in place by 1991.

TC INVOLVEMENT IN WORK-RELATED NON-ADVANCED FURTHER EDUCATION (NAFE)

TC's involvement in work-related NAFE was announced in the White Paper 'Training for Jobs', published in January 1984. By transferring resources from the Rate Support Grant to the TC, the intention is to make the TC responsible for the purchase of a more significant proportion of work-related NAFE, so that it can use its influence to help and persuade public sector providers to become more responsive to employment needs.

Aim

To improve the responsiveness of public sector work-related NAFE to employment needs.

Legal basis

Employment and Training Act 1973.

Contents

Local Education Authorities (LEAs) in England and Wales agree a three-year development plan for their work-related NAFE provision with the TC. Each plan includes a detailed programme of provision for the coming year, which in turn forms the basis for a contract between the LEA and the TC, who fund a significant proportion of the costs.

Financial resources

TC is responsible for spending £110m in the year 1986/87. Together with the expenditure on the Job Training Scheme (JTS), this means that the TC will account for about 25% of work-related NAFE expenditure.

Institutional support

The TC works closely with the local authority associations, the Department of Education and Science and the Welsh Office.

Duration

The arrangements are considered and reviewed annually.

Effects

All local education authorities in England and Wales successfully negotiated 3-year development plans and annual programmes for 1986/87 with the TC.

10. Measures giving aid to redundant workers

- Redundancy payments (U.K.-x.1)
- Insolvency payments (U.K.-x.2)

REDUNDANCY PAYMENTS

Aim

To ensure basic compensation for workers made redundant.

Legal basis

Employment Protection (Consolidation) Act 1978 as amended by consequent regulations and the Wages Act 1986.

Contents

A worker dismissed as redundant is entitled to a tax-free lump sum payment from his employer subject to certain qualifying conditions. A fundamental condition is at least two years' continuous service with the employer or associated employers. The payment is calculated by a formula involving completed years of service (to a limit of 20 years), weekly wage (to an upper limit - £155 in 1986/87) and an age differential which provides greater compensation for older workers.

Financial resources

The Redundancy Fund is financed by a small proportion of employers' and employees' National Insurance contributions. It is used to pay a redundancy payment rebate to small employers and make redundancy payments direct to redundant workers when the employer is in financial difficulty or insolvent.

Institutional support

The Redundancy Payment Service of the Department of Employment.

INSOLVENCY PAYMENTS

Aim

To provide a basic minimum of protection to employees whose employers become insolvent.

Legal basis

Employment Protection (Consolidation) Act 1978.

Contents

Provided an employer has become formally insolvent, the Department can pay outstanding debts to a maximum of 8 weeks arrears of pay, 6 weeks unpaid holiday pay, and up to 12 weeks compensation for failure to give statutory notice. Also unpaid pension contributions may be paid. There is a limit (£155 in 1986/87) to the amount of a week's pay which may be taken into account.

Financial resources

Insolvency payments are paid from the statutory Redundancy Fund.

Institutional support

The Redundancy Payments Service of the Department of Employment.

Chapter IV: INFORMATION AND RESEARCH

1. **Research** in the context of government requirements and policies is largely carried out through the Department of Employment's own research division and through research staff employed by the Training Commission (TC).
2. Within the Department of Employment, the **Economic and Social Division's** staff cover a variety of professional disciplines ie economics, social science, psychology and statistics. The Division exists primarily to provide a service to those responsible for formulation of policy in the Department and in government generally. It develops and carries out research into labour markets, industrial relations and other manpower issues relevant to the Department's policy responsibilities, and provides analysis and advice. The Training Commission has staff representing the same range of professional disciplines which are attached to the TC's operational divisions for research purposes. Much of TC's research is of an operational or developmental nature relating directly to its statutory functions. Arrangements exist to ensure there is no overlap between the Department's and the TC's research.
3. Research is very demanding of staff time; a considerable amount of research is therefore **contracted out** to external researchers who have direct and relevant experience in the particular areas of concern. Much of the research is contracted to academic researchers, but a certain amount goes to independent research associations.
4. The **Office of Population Censuses and Surveys (OPCS)**, a separate government department, also carries out a certain amount of work on labour market studies for both the Department of Employment and the MSC. These consist mainly of carrying out surveys of samples of the labour market, either on ad hoc subjects, or on a regular basis as in the *Labour Force Survey* and the *General Household Survey*. Statistics from these surveys may be collated and analysed within the Department or the results of the surveys may be analysed and written up jointly by the Department and OPCS.
5. Research carried out by or for the Department of Employment is widely **published** or reported as a matter of policy. Some researchers, with the permission of the Department, publish their findings in books or academic journals, but the main source of publicity is through articles in the Department's *Employment Gazette* and through a series of Department of Employment Research Papers, which are available on request from the Department.
6. The government supported **Economic and Social Research Council (ESRC)** is also responsible for labour market research. The Council does not carry out research directly, but it does administer a number of research units sited at different universities, of which the two most relevant to labour market research are the Industrial Relation Research Unit at the University of Warwick and the Research Unit on Ethnic Relations, also at the University of Warwick. In addition ESRC funds a number of Designated Research Centres of which the Centre for Labour Economics at the London School of Economics (also part-funded by the Department of Employment) and the Centre for Urban and Regional Development Studies at the University of Newcastle-upon-Tyne are most directly concerned with labour market research.

The ESRC also funds labour market research by developing research programmes in particular areas, funding individual researchers to carry out work on aspects of these programmes, and by making grants to individual researchers who have submitted proposals which the ESRC consider worthy of support.

7. In addition to the main institutional framework outlined above, a certain amount of **privately funded research** on labour markets is carried out both by academics and by research associations, and government is able to draw on the published results of such research where appropriate.

Chapter V: NORTHERN IRELAND

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1. INSTITUTIONS AND SYSTEMS

Industrial relations legislation

Northern Ireland's industrial relations law has traditionally been broadly the same as that in Great Britain. In most respects it is now in line with that prevailing in Great Britain prior to the 1982 Employment Act, the Trade Union Act 1984, and most recently, the Wages Act 1986. Work is well advanced on Northern Ireland legislation analogous to the 1982 and 1986 Acts and consideration is being given to legislation similar to the 1984 Act. The main differences in the Northern Ireland legislation and that pertaining in Great Britain prior to 1982 are that Northern Ireland operates a system of "contracting in" rather than "contracting out" with respect to contributions to a trade union's political fund; it does not have a Certification Officer nor an Employment Appeals Tribunals and it has retained statutory trade union recognition procedures.

Trade Unions

The Northern Ireland Committee of the Irish Congress of Trade Unions (NIC/ICTU) is a semi-autonomous section of the all-Ireland Irish Congress of Trade Unions (ICTU) and is recognised by government as the voice of the trade union movement in Northern Ireland. Although the TUC has no regional organisation in Northern Ireland, many of the trade unions operating in the Province are affiliated to that body and to ICTU.

ICTU funds the Northern Ireland Committee in much the same way as the TUC funds its regional branches. It does not, however, lay down guidelines from Dublin for its members in Northern Ireland concerning matters of governmental or trade union national policy in the United Kingdom.

Labour Relations Agency (LRA)

The Labour Relations Agency is an independent statutory body established in 1976 with the aim of promoting the improvement of industrial relations throughout industry, mainly through its advisory conciliation and arbitration services. The Agency has a staff of approximately 50 and, broadly speaking, is the Northern Ireland equivalent of ACAS. The most significant difference is that the LRA has retained the statutory trade union recognition functions which ACAS lost when they were repealed in Great Britain by the Employment Act, 1980.

2. GENERAL MEASURES

Industrial Development policy in Northern Ireland is evolved within the framework of national policy and in common with the rest of the United Kingdom. The industrial development agencies in the Province can offer a number of specific measures to help promote industrial competitiveness and adaptability. These include several different forms of financial assistance as well as a range of advisory services.

Under the Industrial Development (Northern Ireland) Order 1982 two main types of support are available. These are **Selective Financial Assistance** which is related to the promotion, maintenance or safeguarding of employment in manufacturing or approved service sector industries, and **Automatic Assistance** for capital investment by manufacturing companies. Both types of aid are available for leased assets as well as assets which are purchased directly. Selective assistance can be in the form of grants or loans and includes assistance with the costs of such activities as research and development, market research and trade support, and the provision of factory accommodation and fully serviced industrial sites. Grants are also given towards **training employees** and these attract a **matching contribution from the European Social Fund**. A distinctive feature of Northern Ireland support for industry is the availability of total derating for industrial premises and a **Corporation Tax Relief Grant** allowing for a grant of up to 80% towards a company's Corporation tax payments or profits.

In common with the rest of the United Kingdom, industry in Northern Ireland can apply for loans from the **European Investment Bank**.

An **Energy Conservation Grant**, designed to promote more efficient use of energy in industry and commerce is also available for a variety of energy saving projects and associated technical advice.

Within Northern Ireland there are **two** designated **Enterprise Zones** at Belfast and Londonderry, and a **Freezone** located at Belfast International Airport.

The execution of government's Industrial Development Policy is carried out by two agencies: the **Industrial Development Board for Northern Ireland (IDB)** is a specialist arm of the Department of Economic Development and deals with companies employing over 50 persons. IDB services are available to both indigenous industry and overseas companies considering Northern Ireland as an investment location. The **Local Enterprise Development Unit (LEDU)** is responsible for the development of small businesses employing up to 50 persons. In addition to the above arrangements, industry in Northern Ireland has access to some of the measures available in Great Britain under the Industrial Development Act 1982. These include in particular support for technical innovation and export services.

Local Enterprise Development Unit (LEDU)

LEDU, the small business agency for Northern Ireland, was established in 1971 as a company limited by guarantee and is financed entirely by a grant from the Department of Economic Development under the Industrial Development (Northern Ireland) Order 1982. Its objectives are to promote the establishment and expansion of small firms in Northern Ireland employing fewer than 50 people. It can provide financial and advisory assistance to the manufacturing and service sectors similar to that offered on a selective basis by the Industrial Development Board. LEDU also has available to it a number of additional instruments particularly tailored to meet the needs of small firms:

- (i) **Enterprise Grant** - Up to £5,000 is available to individuals with limited capital, who wish to go into business for the first time. This form of assistance is particularly suitable for very small businesses.
- (ii) **Management Salary Grant** - a grant, usually offered as part of a larger package of selective assistance, to help a company employ specialist management necessary for a particular project.
- (iii) **Incentive Grant** - up to 66% of the costs of carrying out market research, attending exhibitions, producing product designs and profitability of a business.
- (iv) **Local Enterprise Programme** - a package of assistance to help groups undertaking local economic development initiatives, comprising grant aid towards formation and start-up costs; 50% grant aid towards the cost of acquiring, refurbishing and subdividing premises for use by small businesses; and assistance towards the provision of common services within such a centre, such as management advice, photocopying, typing, switchboard etc.
- (v) **New Enterprise Workshop** - a fully equipped workshop available at nominal charge to individuals wishing to develop or improve a product which offers a prospect of forming the basis of a viable business.

3. *MEASURES GIVING AID TO THE UNEMPLOYED*

Enterprise Allowance Scheme

Aim

To help unemployed people who wish to start up in business but are deterred from doing so because they would lose their entitlement to Unemployment or Income Support.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

Eligible participants are paid a weekly allowance of £40 to supplement the receipts of their business provided that they have been unemployed for at least 8 weeks, in receipt of unemployment or income support at the date of application and have access to at least £1,000 for investment in the new business over the first 12 months. Payments are made for up to 52 weeks for eligible participants.

Financial resources

1986/87 estimated expenditure is £3-8 million.

Institutional support

Administered by HQ and Jobmarkets of the Department of Economic Development.

Duration

Depending on evaluation.

Effects

Total number of recruits from 1 April 1985 to 31 March 1986 was 1,800.

Job Start Allowance

Aim

To give unemployed people particularly those with a high benefit entitlement a greater financial incentive to get back into employment.

Legal basis

Employment and Training Act (NI) 1950.

Contents

An allowance of £20 a week is payable for up to 26 weeks to persons who have been unemployed for at least 12 months and who take a full-time job paying less than £80 a week. Applicants must be at least 18 years of age and in receipt of benefit immediately before starting the job.

Financial resources

1986/87 expenditure: £70,000.

Institutional support

Administered by HQ and Jobmarkets of the Department of Economic Development.

Duration

Ongoing.

Effects

The scheme commenced on 1 July 1986 and 53 applications were approved up to 31 October 1986.

4. MEASURES AIMED AT TRAINING, RETRAINING AND OCCUPATIONAL MOBILITY

Industrial training boards - levy/remission system

Northern Ireland Industrial Training Boards operate a system of levy/remission which has been incorporated into the Industrial Training (Northern Ireland) Order 1984.

The remission system permits firms to receive back portions of their levy commensurate with the quality and variety of training carried out. It encourages regular contact between firms and training board staff which, given the smaller scale of Northern Ireland industry and the smaller geographical area to be covered, appears to be a mutually suitable arrangement.

Training Centres (TCs)

Training Centres provide high quality off-the-job industrial skills training for young persons and adults. There is a network of 12 centres throughout the Province providing approximately 3,000 training places. The strategic aim of the organisation is:

To provide people with employable skills to meet the needs of industry, current and potential.

(a) YOUNG PERSONS' TRAINING

Young persons' training is provided within the Youth Training Programme and includes:

(i) Basic Vocational Training (BVT)

The purpose of the basic vocational training course is to provide 6 months basic training in a variety of skills to young persons aged 16. Participation enables young people to become familiar with the world of work and to assess their suitability for future jobs. The modules include a wide variety of skills necessary to expand innate manual dexterity and satisfy the creativity of the young persons, male and female.

The course includes five week modules of training and also a five week work experience module. In addition all young people receive computer awareness training.

This course may be followed by apprenticeship training for further vocational training.

(ii) Apprenticeship Training

Training Centres are recognised providers of apprenticeship training. In addition to the normal apprentice intake to industry, the Department recruits a large number (agreed with the appropriate Industrial Training Boards) of young persons for initial training in the basic skills required for

apprenticeships in construction, engineering and road transport crafts.

These apprentice courses, with associated further education input, provide a source of skilled labour on which industry can build. Training places are also available to young people sponsored by their employers.

The courses normally commence in March and September each year, last for 6 months and are open to young persons who have received broad-based training within the Youth Training Programme either through a BVT course at a Training Centre or with another provider.

(iii) Advanced Vocational Training

Advanced vocational training courses are available to young people who have completed basic vocational training and have been unable to obtain a place on an apprentice course.

The courses provide an opportunity for 6 months further training and prepare a young person for semi-skilled employment in the construction and engineering industries.

Approximately 2,200 places are provided.

(b) ADULT TRAINING

Training for adults is provided mainly for the engineering industry. Courses usually last for either 14 or 26 weeks, train to semi-skilled level, and include machine setting and operating, welding, fabricating and general engineering. Other engineering courses include basic and advanced electronics, industrial electronics, electrical maintenance and radio and TV servicing.

A Basic Operatives course, offering broadly based training for adults in the 18-25 age group is available at most centres. The course lasts for 16 weeks and provides multi-skill training for young adults to improve their prospects of employment or self-employment or may lead to further specialised training.

(c) SPECIALIST TRAINING

The Lisburn Training Centre is the newest of the Department's 12 centres, having been opened in February 1986. It has been designed and equipped to meet the specialised needs of modern industry, particularly in new high technology skills. Courses available include Robotic Welding, Hi-tech Machining, Refrigeration and Pneumatics/Hydraulics. All the courses are modular in design and have been developed in response to the skill requirements of industry.

(d) **NEW TECHNOLOGY TRAINING**

The Department recognises the importance of providing training in up-to-date industrial techniques. Facilities and equipment are frequently updated to ensure that training is relevant to industrial needs. All of the main Centres are able to provide training in Computer Numerically Controlled (CNC) machining and computer awareness training is provided to all trainees.

(e) **SERVICES PROVIDED FOR INDUSTRY**

If a firm's training requirements cannot be met in-centre the Department may be able, following a technical survey, to second a qualified instructor to a company. Seconded instructors assist with the induction of new employees to a firm, following training on a specially tailored course at a centre.

MANAGEMENT TRAINING

(A) Junior Management Development Programme

Aim

To provide well qualified young people with industrial experience and provide Northern Ireland companies with a source of potential managers.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

Trainees undergo a structured programme of management theory and techniques interspersed with industrial projects. A standard weekly training allowance (£38 without dependant, £62.50 with an adult dependant) as well as appropriate expense allowances are payable by the Department which also pays all fees. Training allowances and expenses are paid for the duration of the course which is approximately 30 weeks. Each programme contains 5 production management groups, 2 administration and personnel management groups and 2 marketing management groups.

Financial resources

1986/87 expenditure: £370,000.

Institutional support

Administered by Department of Economic Development with training supplied by management training consultancies and a higher education institution.

Duration

Ongoing.

Effects

In each training year 108 places are provided divided into 9 groups of 12 trainees.

MANAGEMENT TRAINING

(B) Industrial Scholarship Scheme

Aim

To provide the elite of mathematics and science school leavers with the opportunity to acquire Honours Graduate status as engineers and at the same time valuable management training to be put to use as technological managers employed by their sponsoring company after graduation. This helps counteract the shortage of elite graduate engineers entering the technological management sector of Northern Ireland industry.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

A 5-year programme of integrated university education and training as undergraduate mechanical/industrial or electrical/electronic or aeronautical engineers commencing with a pre-university year spent with the sponsoring company followed by a 4-year enhanced engineering course at Queen's University Belfast culminating in a 1st or 2nd Class BSc Honours degree. Each participant is awarded a 5-year scholarship at a rate higher than the corresponding Local Education Authority mandatory award otherwise payable and the scholarship is also non-means tested. The Department pays 75% of the scholarship and the sponsoring company 25% and the NI Engineering Industry Training Board has paid an annual bonus to each scholarship holder for the past few years. Teaching and examination fees are paid by the Department.

Financial resources

1986/87 expenditure: £166,000.

Institutional support

Administered by Department of Economic Development and Queen's University of Belfast and supervised by a Consultative Committee representing those bodies and the sponsoring companies.

Duration

Ongoing.

Effects

Maximum number of scholarships awarded each year is 15 with 65 in the system at 1 October 1986.

MANAGEMENT TRAINING

(C) Training Grant Scheme

Aim

To encourage businesses to undertake management training and development of their managers and supervisors making use of external courses and trainers.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

Financial assistance to eligible companies comprises 50% grant of course fee and for external courses lasting for 5 days or more (in aggregate) 50% grant of travel and subsistence costs (where appropriate) as well. Courses should be conducted by an approved educational or consultancy organisation with courses leading to academic or professional qualifications being usually excluded from assistance. Maximum assistance per company is £10,000 in any 12-month period. At present eligibility is restricted to manufacturing companies and certain service sector companies and hotels.

No upper limit but normally not more than 3 months.

Financial resources

1986/87 expenditure: £232,000.

Institutional support

Administered by Department of Economic Development.

Duration

Ongoing.

Effects

The 1986/87 financial resources aimed to enable 1,900 managerial staff to benefit from management training.

MANAGEMENT TRAINING

(D) Trainee Manager Development Scheme

Aim

To encourage businesses to undertake management training and development by recruiting and training young managers as part of a systematic approach to their management needs.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

Financial assistance to eligible companies comprises 50% of the salary for one year of a newly recruited trainee manager up to a maximum of £3,000 grant. The trainee post should be designed as part of the training for an identified post in the permanent management structure and around the performance under supervision of various tasks including training exercises and the pursuit of appropriate studies to expose the trainee to the widest experience in the organisation's activities. The maximum number of posts available to any one organisation in any one year is 5. At present eligible is restricted to manufacturing companies and certain service sector companies and hotels.

Financial resources

1986/87 expenditure: £200,000.

Institutional support

Administered by Department of Economic Development.

Duration

Ongoing.

Effects

The resources available in 1986/87 were intended to enable 160 trainee managers to attract grant aid.

MANAGEMENT TRAINING

(E) Consultant Grant Scheme

Aim

To encourage businesses to employ a professional consultant to survey their management training needs.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

Financial assistance to eligible companies comprises 50% or £125 a consultant day up to a limit of £1,000 in each case. A typical survey would cover the relevance of the current management structure, an assessment of, and a development plan for, each manager, a succession plan and a timescale for implementing recommendations. At present eligibility is restricted to manufacturing companies and certain service sector companies and hotels.

The Scheme is limited in expenditure terms to the equivalent of 16 days at £250 a day.

Financial resources

1986/87 expenditure: £10,000.

Institutional support

Administered by Department of Economic Development.

Duration

Ongoing.

Effects

Total number of approved applications in the year ending 31 March 1986 was 11.

YOUTH TRAINING PROGRAMME

Aims

To lay the foundation for a skilled, flexible workforce, adaptable to change and to assist all 16/17 year olds to make a successful transition from school to adult life.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

The programme provides:

- (a) a first year of broad-based, full-time training offering each young person aged 16, who does not wish to continue in full-time education, a balanced programme of off-the-job training, work experience and further education;
- (b) a second year of employment with training (YTP Workscheme) or further project based full-time training;
- (c) additional vocational preparation for young people remaining in full-time education.

Institutional support

The programme is co-ordinated by the Department of Economic Development which works jointly with the Department of Education for Northern Ireland.

Duration

Ongoing.

Effects

In 1986/87 some 16,500 young people are expected to have entered schemes within the Programme.

EXPORT MARKETING PROGRAMMES IN EUROPE AND THE USA

Aims of the Programmes

These two separate programmes provide executives with comprehensive training in marketing skills while assisting companies in Ireland to explore and test new markets in Europe and America.

What the Programmes Offer

The Programmes, each of approximately 9 months duration, include intensive export marketing training, completing fieldwork assignments in Europe or the USA and preparing and implementing a marketing plan. The European Programme also provides commercial language training.

Sponsoring companies will be allocated one of the course participants to carry out an identified and agreed marketing assignment in either Europe or the US.

Assistance Available from the Programmes

Participants receive a weekly training allowance from the Department of Economic Development. The Department also meets the cost of accommodation whilst abroad.

Participating companies make a contribution towards travel costs incurred in reaching Europe/US and in the course of marketing assignments.

Who Is Eligible for the Programmes ?

Prospective participants should be interested in a career in export marketing and should preferably have a third level qualification in a marketing or business discipline and/or sales/marketing or management experience. For certain industries a technical qualification would also be an advantage.

Medium to large size companies whose products/services have export potential in Europe or America are suitable but they must be prepared to devote resources and time to the market research and development.

YTP WORKSCHEME UP FROM MARCH 1987

Aim

The aim of the scheme is to encourage employers to provide well-rounded vocational training and education for their 17 year old employees (Disabled young people may participate in the scheme up to age 22).

Effects

At November 1986 there are an estimated 4,780 young people receiving training under the YTP Workscheme.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

Employers can claim £25 per week for each employee whose gross average earnings are not less than £25 and not more than £50 per week.

Financial resources

1986/87 expenditure: £6.042m.

Institutional support

Further Education Colleges, Community Workshops and Training Centres provide free off-the-job training and education facilities for YTP Workscheme participants.

Duration

Ongoing.

YTP WORKSCHEME - REVISED SCHEME FROM MARCH 1987

The revised scheme was introduced on 23 March 1987. From this date the scheme has been open to young people who are recruited to fill approved training places. Listed below are the major changes.

Earning limits

The upper wages limit has been removed and the lower wages limit raised to £35.00 per week.

Age limits

The upper age limit for entry to the scheme has been extended to the second anniversary of the school leaving date.

Applications

Employers are required to develop training places and to have them approved, in advance, by the Department before they can begin to recruit eligible young people. Existing or previous employees are not eligible.

Quality measures

In order to develop further the quality and effectiveness of the scheme, new and additional assessment and certification measures have been introduced.

These are more sophisticated than present monitoring arrangements and require a much greater contribution from the employer.

There is a New Certificate of Competence (for employees) and opportunities to work for recognised vocational qualifications.

ATTACHMENT TRAINING SCHEME

Aim

The scheme aims to assist those who wish to enter full-time training in order to obtain permanent employment in an occupation where the prospects of employment using such training are reasonable.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

The Attachment Training Scheme originated with the recommendation in the NI Development Programmes 1970/75 that training should be provided in occupations not dealt with in Training Centres.

Contents

The Attachment Training Scheme supplements the Department's Training Centre provision by making available to unemployed persons a wide range of vocational training courses. Use is made of spare capacity in firms, colleges of further education and other approved training establishments. The maximum length of a course for which support may be given is 52 weeks and the minimum, 2 weeks. The length of "in-firm" courses is decided by the Department's Technical Assessor. Courses must be full-time.

Financial resources

1986/87 expenditure: £2.5m.

Institutional support

Progress is monitored throughout the period of training by departmental technical representatives. Attendance is monitored and payments made by staff in Jobmarkets throughout Northern Ireland.

The Northern Ireland Catering Industry Training Board, the Clothing Industry Training Board, the National Computing Centre and the Department of Education are supportive in the administration of college-based courses.

Duration

Ongoing.

Effects

In 1985/86 some 2,327 persons entered training. It was estimated that there would be 2,200 in the 1986/87 year.

TRAINING ON EMPLOYERS' PREMISES SCHEME

Aim

To assist new and expanding firms in the manufacturing industry, certain service sector businesses and hotels in meeting their manpower training requirements through the implementation of comprehensive plans agreed with the Department of Economic Development.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

Grants are payable in respect of eligible additional employees, for each week of approved training required to attain the basic level of competence in the occupation concerned. Payments for the agreed training period are made at the rate of £52 per week for those 18 years of age and over subject to a maximum of 52 weeks for each eligible employee.

Financial resources

1986/87 expenditure: £6.3m.

Institutional support

Administered by Grants to Employers Branch of the Department of Economic Development.

NORTHERN IRELAND TRAINING AUTHORITY (NITA)

NITA was established in October 1984 under the Industrial Training (Northern Ireland) Order 1984. It has extensive powers to review training generally in industry including carrying out research. It is able to take positive action in encouraging and supporting training in sectors of industry not covered by the Industrial Training Boards. NITA also has the important task of developing and providing new techniques of training and training in new technology. It is obliged to develop connections with the public sector with which it may co-operate in the provision of training services. NITA also provides administrative and secretarial services for the Industrial Training Boards and undertakes "cross-sector training" in matters relevant to more than one industry.

The membership of NITA comprises a chairman, the chairmen of the 8 Industrial Training Boards, 3 employer representatives, 3 trade union representatives, 3 persons with expertise in training or education and 1 representative of the public sector.

5. *JOB CREATION MEASURES*

Action for Community Employment

Aim

To provide temporary jobs, both full and part-time, for the long-term unemployed by grant-aiding sponsors of projects which are of benefit to the community.

Legal basis

Currently extra-statutory (legislative vehicle being considered).

Contents

Jobs are open to those aged 18-64 who, immediately prior to starting on a project, (a) have been unemployed continuously for at least 3 months and (b) have been unemployed for at least 12 out of the preceding 15 months. Participants are paid the local going rate for the job and normally stay on projects for a maximum of 52 weeks.

Financial resources

1986/87 expenditure: £25.87m.

Institutional support

Scheme administered by the Community Projects Branch of the Department of Economic Development.

Duration

Ongoing.

Effects

Numbers covered at the end of:

March 1983	2,050
March 1984	2,700
1984/85	3,000
1985/86	3,890
1986/87	5,625

ENTERPRISE ULSTER

Aim

Enterprise Ulster is a direct labour organisation sponsored by the Department of Economic Development as a public corporation. It provides jobs for the longer-term unemployed in projects of an environmental, cultural, amenity, community or social nature. In addition, it serves as a means of training in basic skills (mainly construction) and of rehabilitating persons who have been unemployed for some time in the necessary attitudes and disciplines of work.

Legal basis

Enterprise Ulster (Northern Ireland) Order 1973.

Contents

Jobs are open to those age 18-64 who have been unemployed for approximately 1 year. Participants are paid in accordance with NJC rates for Local Authority employees.

Originally the workforce was employed on an open contract basis. However, in more recent times, participants are restricted to a maximum of 52 weeks employment.

Financial resources

1986/87 expenditure: £746m.

Institutional support

The Enterprise Ulster Board, appointed by the Department of Economic Development, is responsible for the administration of the corporation.

Duration

Ongoing.

Effects

Numbers covered at the end of:

March 1983	1,150
March 1984	1,140
1984/85	1,000
1985/86	1,060
1986/87	1,200

6. **MEASURES IN FAVOUR OF SPECIAL CATEGORIES OF PEOPLE**

Employment Rehabilitation

The Department operates an 85 place Employment Rehabilitation Unit at Whitehouse near Belfast. The Unit provides a range of activities to help restore a person to work fitness and is staffed by a professional team. A fundamental review of the Department's rehabilitation of blind people from Northern Ireland is undertaken by the Institute at their residential centre in Great Britain.

Sheltered Employment

Ulster Sheltered Employment Ltd employs many blind and severely disabled people in the Greater Belfast area. A new concept in expanding employment opportunities for disabled people has been the Sheltered Placement Scheme which currently employs 83 people. Openings in ordinary and commercial settings are provided where disabled people work alongside able-bodied people, producing at a level of ability appropriate to their degree of disability.

Training for Handicapped People

Vocational training for disabled people is provided through the Department of Economic Development's standard training provision and at centres in Great Britain provided or approved by the Manpower Services Commission.

7. *OTHERS*

Key Worker Scheme

Aim

To provide assistance for a worker transferred or recruited to fill a new key post in undertakings which are being established or expanded in Northern Ireland.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

Financial assistance is given to meet the cost of the key worker's removal, ie travelling and lodging expenses, legal costs involved in the sale/purchase of a house, and removal expenses. Assistance is normally given for up to 2 years from the date of the key worker's transfer/recruitment.

Financial resources

1986/87 expenditure: £150,000.

Institutional support

Administered by grants to Employers Branch of the Department of Economic Development.

Duration

Ongoing.

Effects

In the twelve month period ended 30 September 1986, applications in respect of 65 key workers have been approved under the Scheme.

LIST OF ABBREVIATIONS

ANNEX

A

ACAS Advisory, Conciliation and Arbitration Service
AIT Access to Information Technology

B

BES Business Expansion Scheme
BIS Business Improvement Service
BTA British Tourist Authority

C

CAC Central Arbitration Committee
CAT City Action Teams
CI Community Industry
COIT Central Offices of Industrial Tribunals
CP Community Programme
CS Careers Service
CBI Confederation of British Industry

D

DAS Disablement Advisory Service
DE Department of Employment
DES Department of Education and Science
DHSS Department of Health and Social Security
DOE Department of the Environment
DTI Department of Trade and Industry
DRO Disablement Resettlement Officer

E

EAT Employment Appeal Tribunal
EAS Enterprise Allowance Scheme
EC European Community
ED Employment Division
EMRU Employment Market Research Unit
ERC Employment Rehabilitation Centre
ES Employment Service
ESF European Social Fund
ESRC Economic and Social Research Council
ETS Employment Transfer Scheme

F

FCO Foreign and Commonwealth Office

H

HSC Health and Safety Commission
HSE Health and Safety Executive

I

ICI Inner Cities Initiatives
ILO International Labour Organisation
IR Inland Revenue
IS Income Support
ITB Industrial Training Board
ITO Industry Training Organisation

J

JIC Joint Industrial Council
JTS Job Training Scheme

L

LEA Local Enterprise Agency
LEN Local Employee Network
LGE Local Grants to Employers
LTG Local Training Grants

M

MSAC Manpower and Social Affairs Committee of OECD
MSC Manpower Services Commission

N

NAFE Non Advanced Further Education Programme
NCVQ National Council for Vocational Qualifications
NTI New Training Initiative

O

OECD Organisation for Economic Cooperation and Development
OPCS Office of Population Censuses and Surveys

P

PER Professional and Executive Register

S

SFS Small Firms Service
STA Skills Training Agency

T

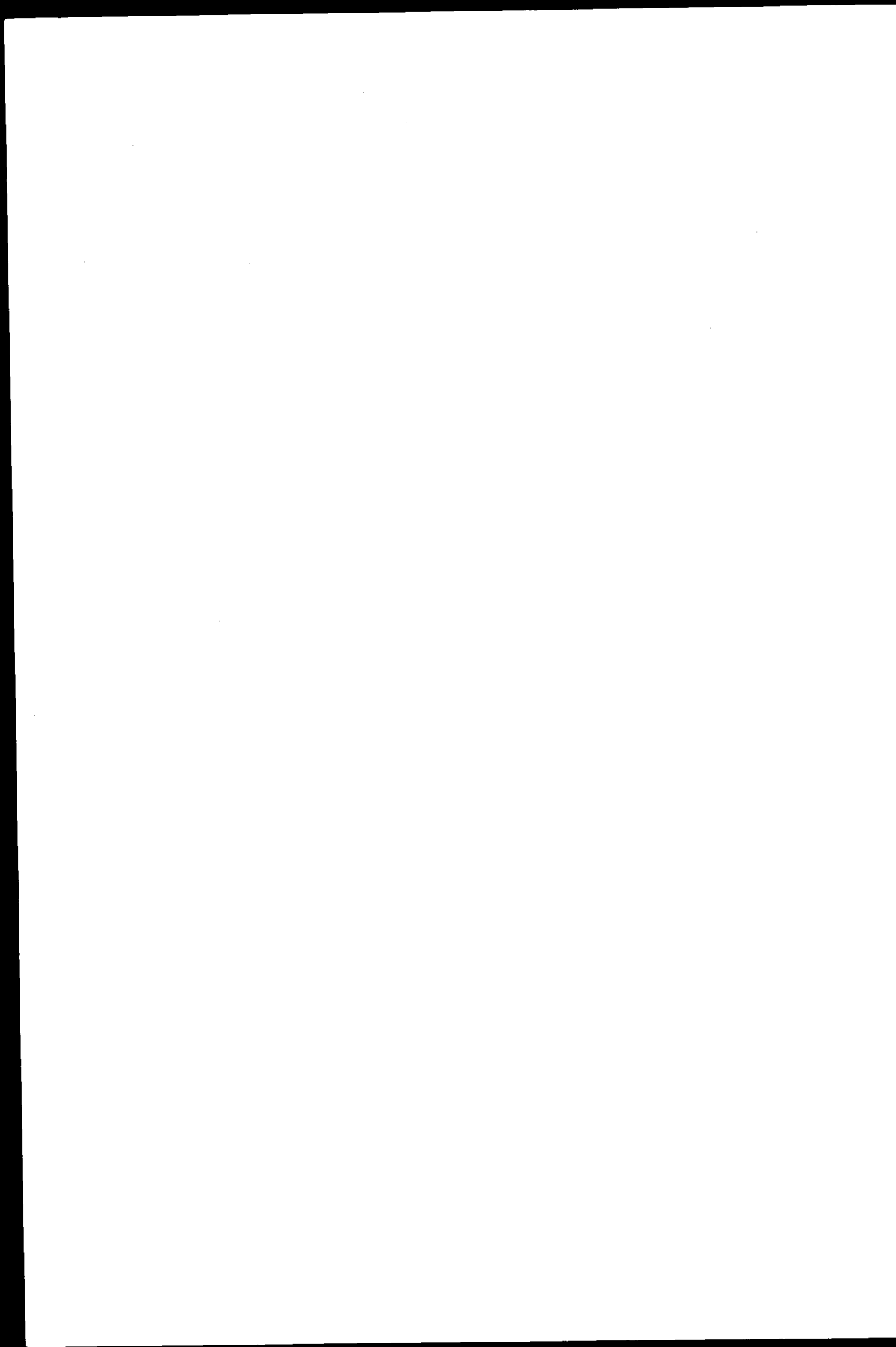
TAPs Training Access Points
TC Training Commission
TFE Training for Enterprise
TUC Trades Union Congress
TUET Trade Union Education and Training Grant
TULRA Trade Union and Labour Relations Act
TVEI Training and Vocational Education Initiative

U
UB Unemployment Benefit

U
VET Vocational Education and Training
VPP Voluntary Projects Programme

V
WOTP Wider Opportunities Training Programmes

Y
YTS Youth Training Scheme



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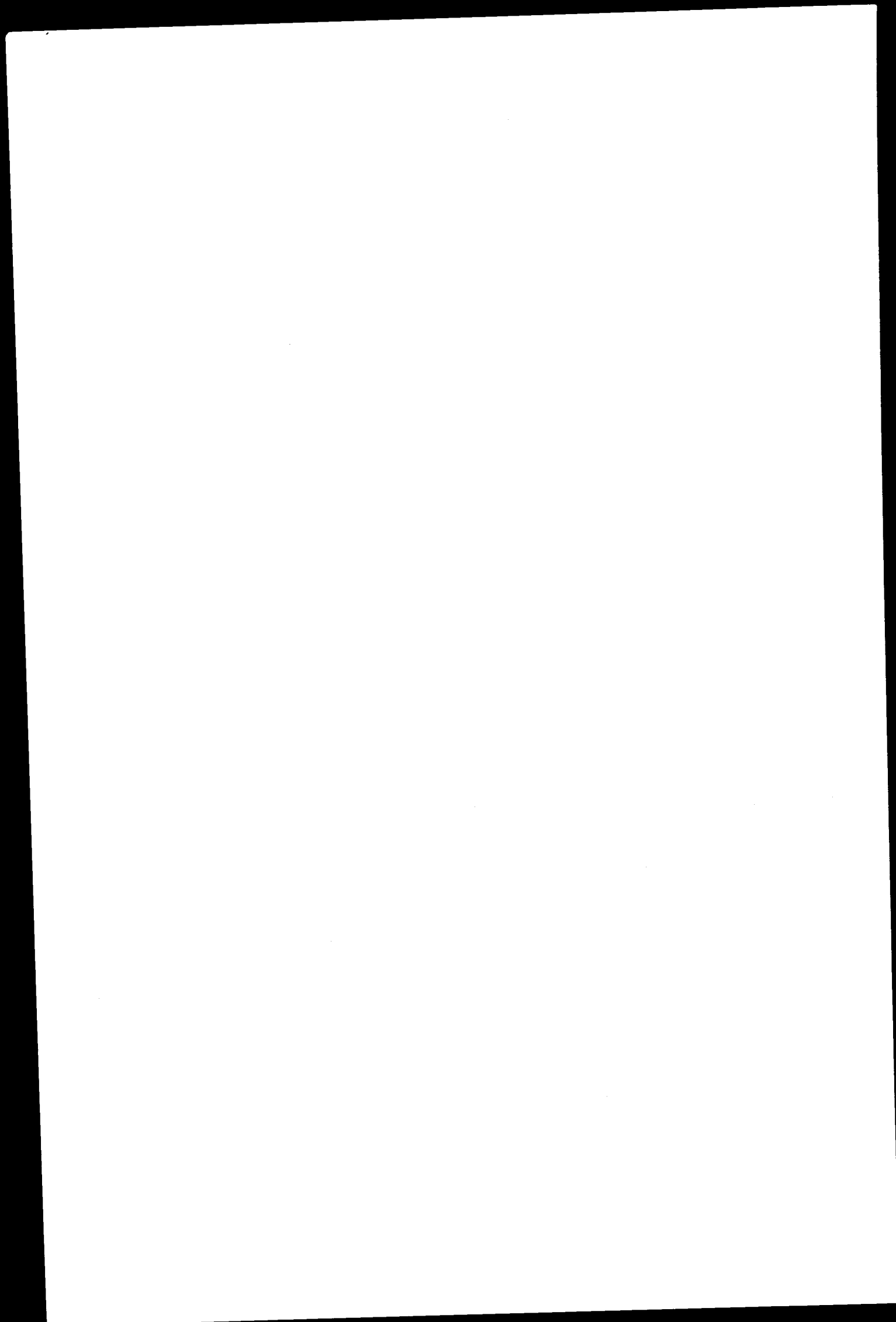
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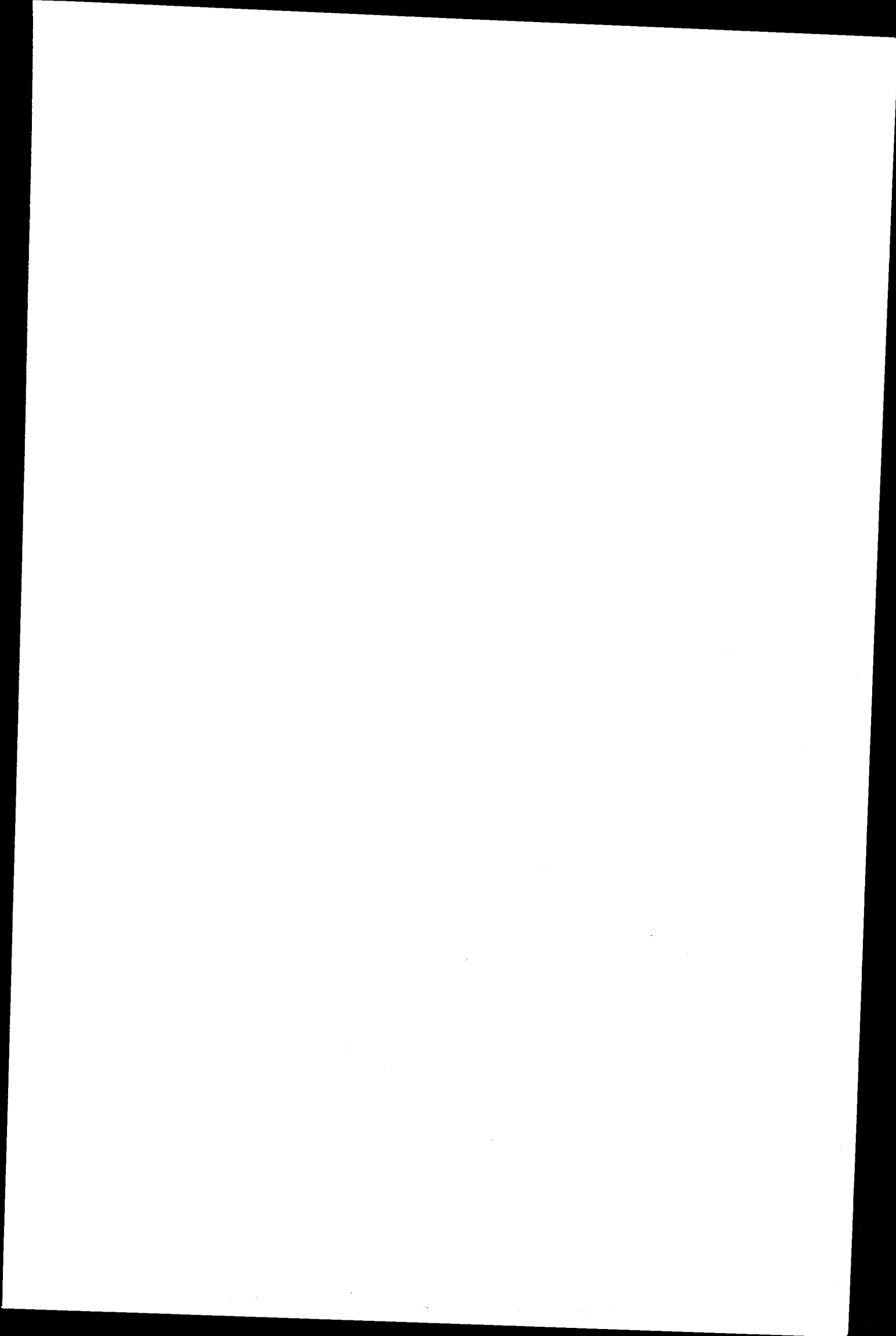
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