

Employment Observatory

MISEP BASIC INFORMATION REPORT UNITED KINGDOM 1997



Employment & social affairs



European Commission

**Mutual Information System
on Employment Policies (MISEP)**

Basic Information Report

UNITED KINGDOM

Institutions, Procedures and Measures

1997

European Commission

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On the basis of an agreement of the directors general for employment, the European Commission created a Mutual Information System on Employment Policies (MISEP) in 1982.

The system operates with a network of correspondents from the departments responsible for employment policy in the Member States or from employment services. The centralised secretariat is fully accountable to the Commission.

MISEP was set up by the Commission in response to a need voiced by the delegations of the Member States in the Council for a mutual information exchange on developments in national employment policy measures and structures. The definition of MISEP's objective is 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 describe the structure and content of employment policy in each Member State. The reports all have a common structure and contain basic information which is essential for an understanding of how employment policies are conceived and implemented.

The material in this Basic Information Report has been provided by the British correspondent and is correct as of 31 December 1996. It is intended as a guide and an explanation of national policy measures in force at that date in the United Kingdom and is not a substitute for the corresponding legal texts. It is designed to describe the policies and practices in the United Kingdom without value judgements either on the part of the Commission or the national correspondent.

While these reports will be updated periodically, further information and regular updating of measures are published in the system's quarterly policy bulletin, inforMISEP.

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BENCHMARK STATISTICS 1996

THE LAND	
Area	240,000 km ²
THE PEOPLE	
Population	58.6 million
PRODUCTION	
Gross Domestic Product	£ 604,013 million
LABOUR MARKET	
Working age population (16–64 years)	35.8 million
Of which men (16–64 years)	18.8 million
Of which women (16–59 years)	17.1 million
Working age population (16 years and over)	46.5 million
Of which men	22.5 million
Of which women	24.0 million
Labour force (16–64 years)	27.6 million
Of which men (16–64 years)	15.7 million
Of which women (16–59 years)	11.9 million
Labour force (16 years and over)	28.4 million
Of which men	16.0 million
Of which women	12.4 million
Activity rates (16–64 years)	78.0%
For men (16–64 years)	84.7%
For women (16–59 years)	70.6%
Activity rates (16 years and over)	62.4%
For men	72.2%
For women	53.1%
Employment (16–64 years)	25.2 million
Of which men (16–64 years)	14.1 million
Of which women	11.1 million
Of which under 25 years	3.9 million
Employment (16 years and over)	26.0 million
Of which men	14.4 million
Of which women	11.6 million
Of which under 25 years	3.9 million
Employment by sector:	
Agriculture, etc.	2.1%
Energy and water	1.3%
Manufacturing	19.0%
Construction	7.1%
Distribution, hotels, etc.	20.2%
Transport, communications	6.4%
Banking and finance	13.8%
Other services	30.1%
Total	100%
Unemployment (16–64 years)	2,436,000 (9.7%)
Of which men (16–64 years)	1,599,000 (10.2%)
Of which women (16–59 years)	837,000 (7.0%)
Of which under 25 years	706,100 (15.3%)
Unemployment (16 years and over)	2,453,000 (8.6%)
Of which men	1,607,000 (10.1%)
Of which women	846,000 (6.8%)
Of which under 25 years	706,000 (15.3%)
Unemployment rate	8.6%
Unemployed by qualification	
Higher qualifications (above "A-level")	4.1%
Other	8.7%
No qualifications	13.7%
Registered unemployment (seasonally adjusted)	2,308,200 (8.2%)

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Addendum to 1997 UK Basic Information Report

Since the information produced in this report the UK has undergone a change of Government. This will have implications for a number of areas covered by the report. The new Government has made a number of public commitments regarding employment and related matters in its manifesto:

As a part of a "New Deal" on employment 250,000 18- to 24-year-olds will be helped into either; employment in the private sector, work on a voluntary/community project, or participation on the new environment taskforce. There will also be the option for young people to study or train full time for a qualification.

A new "Target 2000" programme will be introduced. This will ensure that all young people have archived an intermediate level qualification with core skills by the year 2000. Anyone under 18 without a qualification will have the right to gain one through part-time studies.

The establishment of "Employment Zones" will seek to use funds currently available for benefits and training to offer unemployed people new options that will lead to work. There will be co-ordination between benefits, employment and careers services.

Lone parents will be offered the chance to return to the labour market. Once the youngest child is in their second term second term of full time education, lone parents will be offered advice by the Employment Service on job search, training and after school care to help them off benefit.

Tax incentives will be offered to employers to employ people who have been unemployed for over two years.

Up to a million employees will be given the opportunity to open "Individual Learning Accounts" to invest in their own skills. A small investment of their own money will be matched by a £150 training endowment from the Government.

A minimum wage will be established to encourage people away from benefits and into work.

A new University of Industry will be established (through public and private partnership). It will focus on providing affordable training in key areas (e.g. IT skills, management skills for the newly self employed and basic literacy).

The present system of vocational qualifications will be upgraded.

Investors in People will become the general training standard for all industry and commerce.

The new Government will sign the EC Social Chapter and use its participation to promote employability and flexibility.

CHAPTER I INSTITUTIONS

1. The Department for Education and Employment (DfEE)

The creation of the Department for Education and Employment (DfEE) in July 1995 brought together the functions of the former Department for Education (DFE) with most of those of the former Employment Department Group (EDG).

1.1 Aims and Objectives

The DfEE aims to support economic growth and improve the nation's competitiveness and quality of life by raising standards of educational achievement and skill and by promoting an efficient and flexible labour market.

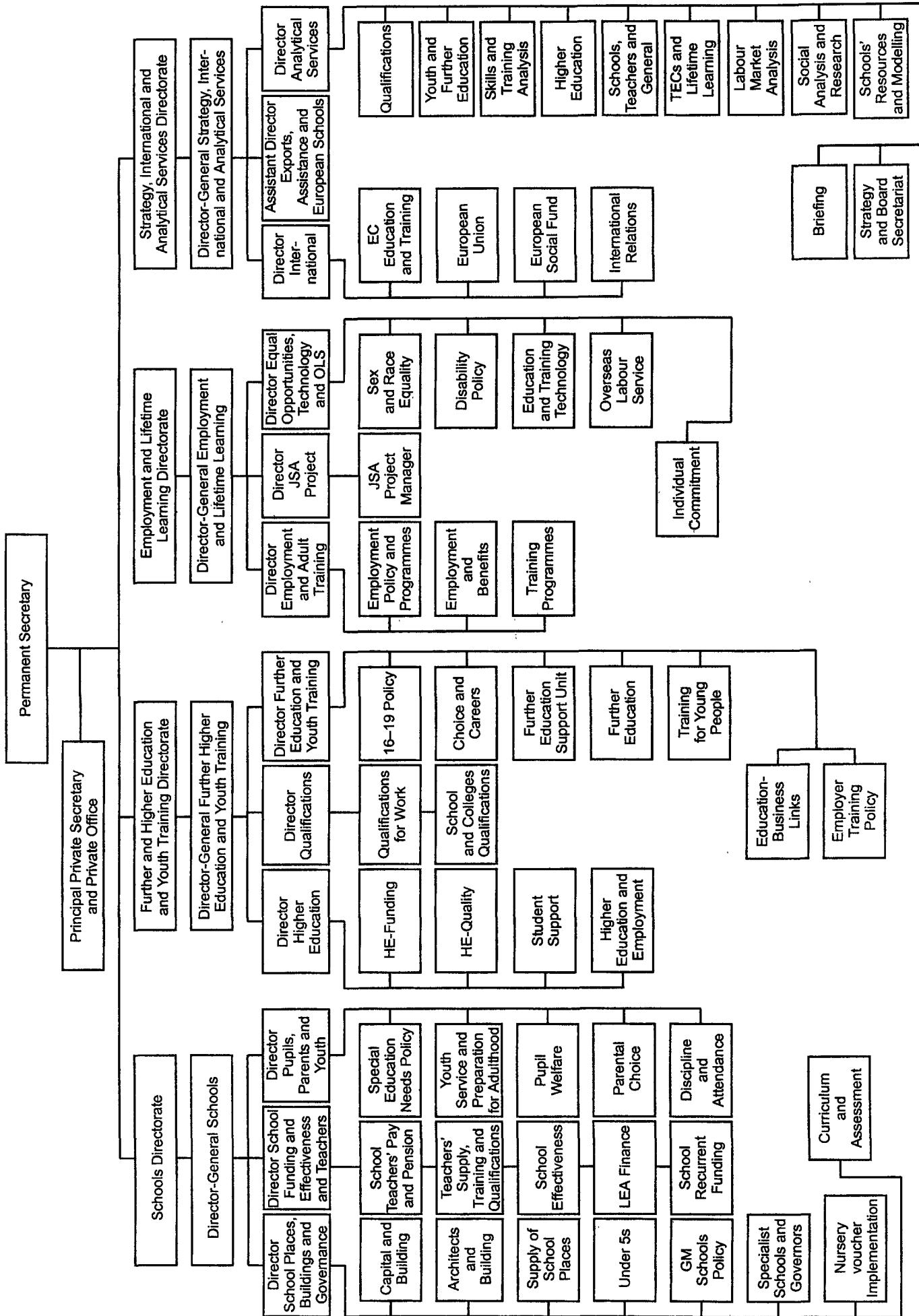
In pursuing this aim, the Department has the following objectives:

1. To enable children, young people and adults to achieve skills and qualifications at the highest standard of which they are capable and to ensure progress towards the National Targets for Education and Training.
2. To equip young people for the responsibilities of adult life and the world of work.
3. To encourage lifetime learning so that people can use their skills and knowledge to compete effectively in a changing labour market.
4. To develop a coherent framework of high quality national qualifications for all ages reflecting both academic and vocational achievement.
5. To promote the advancement of understanding and knowledge across all subjects, for example, through the support of high quality research.
6. To enhance choice, diversity and excellence in education and training.
7. To provide a framework to encourage employers to invest in the skills needed for competitive business.
8. To help unemployed people into work.
9. To promote equality of opportunity in education, training and at work, particularly with regard to gender, race, disability and age; and to further women's issues more generally.
10. To pursue the Government's aims for employment and for education and training (including education and training exports) in the European Union and more widely.

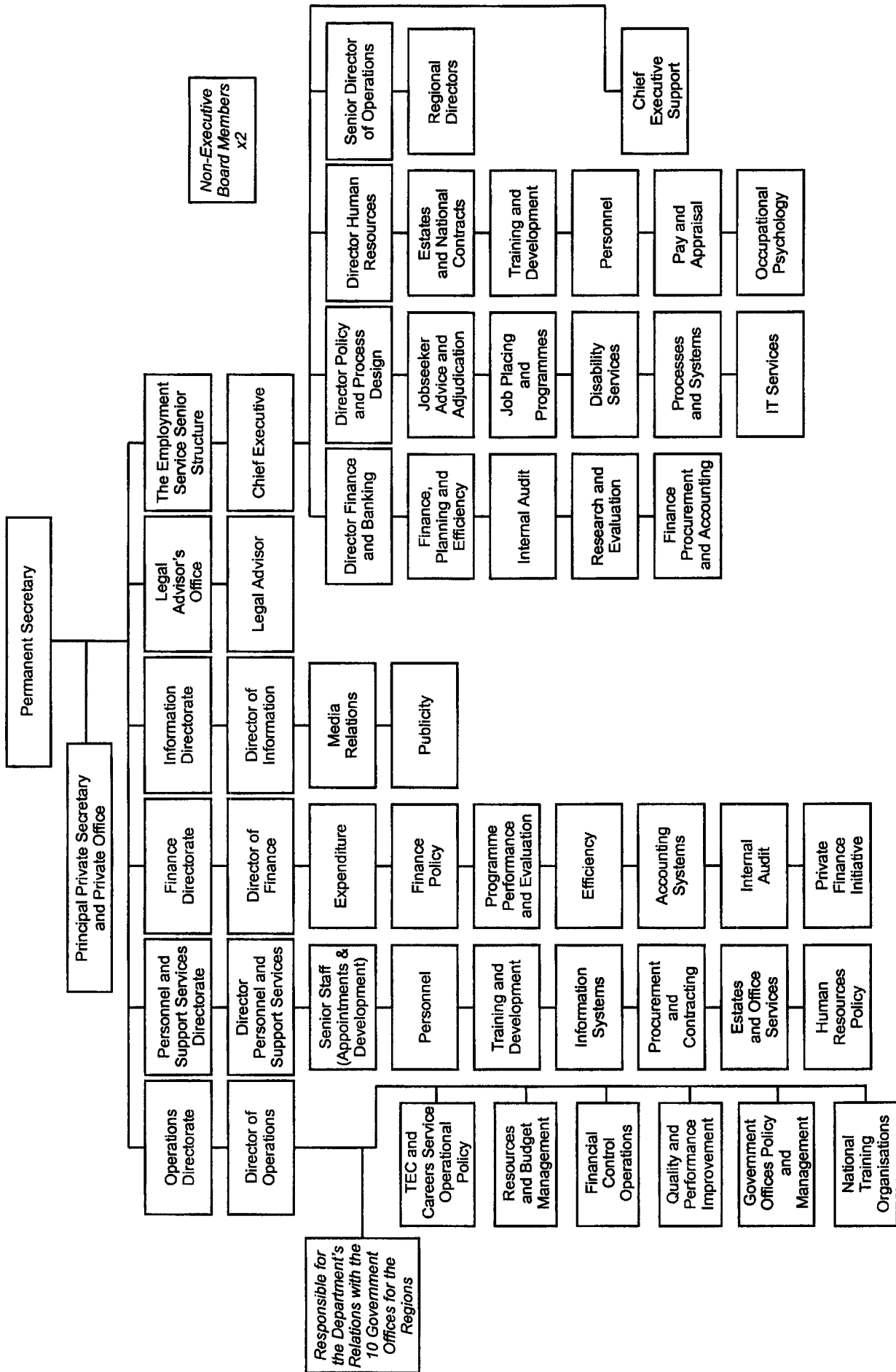
In pursuing these objectives, the Department will:

- ensure that they are carried out in the most efficient and cost-effective way and that quality is assured;
- equip everyone with the skills, competence and information needed to do the job effectively;
- build on new opportunities made possible by technological developments; and
- work in partnerships with a wide range of agencies and organisations.

DfEE Organisation Chart



DfEE Organisation Chart (cont.)



1.2 Departmental Organisation

The new Department has seven directorates and two executive agencies – the Employment Service and the Teachers' Pension Agency – and is responsible for a number of Non-Departmental Public Bodies (NDPBs). The creation of the Department for Education and Employment also resulted in the transfer of the following responsibilities to other Government departments:

- the Department of the Environment (DoE) assumed responsibility for health and safety issues (including stewardship of the Health and Safety Executive and the Health and Safety Commission);
- industrial relations and the Advisory, Conciliation and Arbitration Service (ACAS) now come within the responsibility of the Department for Trade and Industry (DTI); and
- production of labour market statistics moved to the Central Statistical Office (CSO).

The Department's seven directorates have the following aims:

Schools Directorate

To improve the nation's competitiveness and quality of life by securing high and improving standards of educational attainment for all children up to the age of 16. In pursuit of that aim, the directorate encourages diversity of provision and wider choice for parents and pupils.

Further and Higher Education and Youth Training Directorate

To maximise the number of young people gaining rigorous qualifications that fully meet their needs and those of the labour market, thereby enabling the nation to achieve the National Foundation Targets for Education and Training.

To develop the further and higher education sectors and the system for vocational and academic qualifications for school children, young people and adults so that they make the most effective and efficient contribution to the aim for young people and to the Government's objectives for the education and training of adults.

Employment and Lifetime Learning Directorate

To support economic growth and personal development by promoting lifetime learning and an efficient, flexible and competitive labour market.

Strategy, International and Analytical Services Directorate

To help to develop and promote Departmental strategy and to provide a central source of information on Departmental policy interests and responsibilities.

To promote and defend Government policy on education, training, employment and social policy in the European Union; to develop constructive relations with key interests in other countries and international organisations; and to promote British education and training exports.

To provide economic, statistical and research support to the Department.

Operations Directorate

To influence and promote the cost-effective implementation of the Department's policies by:

- providing and improving the advice, development and training available to young people, the adult work force and those out of work;
- raising standards of training in all sectors of employment; and
- supporting economic growth, competitiveness and regeneration.

Personnel and Support Services Directorate

To support the Department in achieving its objectives through effective policies for the development and deployment of the Department's people, estate and information systems and through increasingly efficient and reliable personnel and office support services.

Finance Directorate

To assist Ministers and the Permanent Secretary to secure and allocate the financial resources needed to deliver the Department's overall aim and objectives; and to monitor, account for and evaluate the use of those resources so as to optimise value for money and ensure adherence to sound control systems and the requirements of Government accounting.

2. The Employment Service (ES)

2.1 Origins and competence

The Employment Service (ES) helps to promote a competitive and efficient labour market by helping unemployed people get back to work through its job placement services and other programmes, and seeks to pay benefits and allowances promptly, accurately and courteously to those entitled to receive them.

The Employment Service came into existence on 26 October 1987, bringing the work of the Jobcentre network, responsible for job placement activities, and the Unemployment Benefit Service together. The ES is part of the DfEE under the control and responsibility of the Secretary of State for Education and Employment. Under an administrative arrangement the Employment Service was designated an executive agency within the then Employment Department Group (now the DfEE) in April 1990. Each year the Secretary of State for Education and Employment sets the ES performance targets and allocates resources to enable the Service to meet them. Targets are published in an Annual Performance Agreement. The management of the agency is delegated to its Chief Executive, who has considerable flexibility in managing its operations in order to achieve its performance targets. The objective of this arrangement is to provide better services for clients and better value for money for the community at large.

The linking of placement and benefit work involves counselling and guidance throughout the period of unemployment and during the progression into work or into a Government employment

or training programme. It also helps unemployed people to be aware of their responsibilities as benefit claimants in the process of getting back into work.

2.2 Structure and objectives of the Employment Service

The ES delivers its services in Great Britain through nine territorial commands covering Scotland, Wales and seven English regions, and currently has some 1,100 local offices grouped into 154 districts. The ES is establishing a network of merged offices, replacing both the former Jobcentres and Unemployment Benefit Offices, which provide a single point of access to Government programmes and services for unemployed people. Merged offices are called Employment Service Jobcentres (ESJs). There are currently nearly 930 merged offices, about 80% of the total network.

Employment services in Northern Ireland are delivered through a separate body, the Training and Employment Agency, accountable to the Secretary of State for Northern Ireland (see Chapter V).

Current objectives for the ES are:

- to offer unemployed people, particularly the long-term unemployed and others at a disadvantage in the labour market, help and advice in finding work or appropriate training;
- to advise unemployed people claiming benefits or allowances on their entitlements, obligations and responsibilities and to pay those who are eligible promptly and accurately;
- to offer people with disabilities particular help and advice in finding and retaining work or appropriate training; and to help and encourage employers to make work or training opportunities available to them;
- to identify, investigate and where appropriate take action to prosecute those suspected of benefit fraud or of colluding in it;
- to provide services to all its clients in accordance with the standards and expectations set out in the Jobseeker's Charter (see Chapter I, 2.3); and
- to manage the delivery of all its programme and services efficiently, effectively, and economically, and within the resources available.

The 1996/97 Annual Performance Agreement includes targets for placing 1.97 million unemployed people into jobs of whom 29.5% will be long-term claimants, and that 97% of the value of unemployment benefit payments will be paid correctly.

2.3 The Jobseeker's Charter

As part of the Government's Citizen's Charter initiative, the Employment Service has its own Jobseeker's Charter. This sets out standards of service for clients, covering areas such as waiting times in Jobcentres, speed of response to phone calls and letters, promptness of benefit payments and availability of vacancies.

All Jobcentres monitor and publish their performance against the standards, and clients are encouraged to feed back their views on the service they receive. This enables the ES to keep customer care to the forefront, and constantly to seek improvements in service standards.

3. Training

3.1 Government Offices for the Regions

The Regional Offices of the Departments for Education and Employment, Environment and Trade and Industry were integrated in April 1994. There are now ten Government Regional Offices, each led by a Regional Director, which have close links with Departments without Regional Offices, business and local authorities in the region. There is a senior manager responsible for DfEE business in each Office.

The role of the Offices is to work in partnership with local people to maximise the competitiveness, prosperity and quality of life in the Region. Training and Enterprise Councils (TECs) and local authorities are the Offices' main partners. The Employment Service has an important role to play both as a partner and deliverer of services.

The creation and development of the Offices provides a major opportunity to build coherence between DfEE policies for improving the skills and employability of local people and the infrastructure projects promoted by other Departments.

3.2 Training and Enterprise Councils (TECs)

3.2.1 Origins

The network of Training and Enterprise Councils (TECs), covering the whole of England and Wales, was established following the White Paper "Employment for the 1990s" published in December 1988. TECs were set up as locally based companies with employer-led Boards, primarily to help remedy supply-side failures by stimulating employer investment in skills, fostering economic growth and contributing to the regeneration of their communities. In addition, they were to make Government programmes more effective and relevant to the labour market.

The earliest TECs began operation in April 1990 and the full network was established by October 1991. Responsibility for Welsh TECs was transferred to the Secretary of State for Wales in April 1992.

TECs are founded on five major principles. They are:

- locally based;
- employer-led;
- the focus for all training and enterprise matters in their area;
- performance-based; and
- enterprising organisations.

3.2.2 Role

In May 1994 the Government issued cross-Departmental strategic guidance to all TECs, called "Towards 2000". This set out what the Government expects TECs to achieve to improve the position of their local economies. In particular, it describes TECs' key local role in achieving competitiveness by:

- contributing to clear strategies and plans to help build robust, dynamic local economies;
- developing competitive businesses capable of taking on and beating global competitors;
- developing and encouraging a world class work force with the skills needed for successful businesses.

The Government is updating this Strategic Guidance to reflect changes to the framework and agenda for its partnership with TECs. The updated Strategic Guidance aims to inform the development of TECs' local strategies as set out in their corporate plans.

3.2.3 Structure and accountability

TECs are private companies governed by their Memoranda and Articles of Association. Government funding of TECs is negotiated annually through performance-related contracts. In May 1994 the Government announced new arrangements for contracting with TECs in England which meet specified levels of performance and capability based on the provision of 3-year licences. The first TEC licences were issued in April 1995. All TECs must achieve a licence by 1997 as a condition of continued Government funding.

TECs have a unique and key role in driving business competitiveness at a local level and they require determined and imaginative leadership. The Secretary of State's contract with TECs (the TEC Operating Agreement) sets eligibility conditions for TEC Directors and Chairmen. At least two-thirds of Directors must be chairmen or chief executives (or a top level operational manager or senior partner) from the private sector. Remaining Directors must be of a similar status but will be drawn from education, economic development, trade unions, voluntary organisations or the public sector. The Chairman of a TEC must be a private-sector director of a company with at least three years' standing and with either a turnover exceeding £25 million or 25 or more full-time employees.

There is a growing body of evidence to show that TECs are having a significant impact on their local economies. TECs, as the key private-sector partners at the local level, are fostering a greater awareness of the importance of working in partnership to bring about local economic development; are driving forward the National Targets for Education and Training at the local level; and are leading the establishment of the Business Link network.

TECs are also making real improvements in the performance of the national training and enterprise programmes that they manage on behalf of Government. For example, the percentage of young people gaining a qualification (at NVQ II and above) on Youth Training has roughly doubled in the last four years; and the cost per job in Training for Work has fallen over the same period by around one-third. The annual publication of an Inter-TEC Comparison Table, showing the performance of TECs on a number of key indicators, challenges TECs to look at ways of improving their performance each year. Further improvements in performance are expected over the next few years.

3.2.4 Institutional developments

TECs and Chambers of Commerce share the objective of promoting local economic development. This, and the consequent overlap of functions, led some of them to call for mergers between the two organisations. In February 1994, in response to a proposal by the EC National Council and the Association of British Chambers of Commerce, the Government accepted the case for voluntary mergers. To date, nine mergers have been authorised (the merged bodies are known as Chambers of Commerce, Training and Enterprise).

3.3 Training and Enterprise in Scotland and Wales

3.3.1 Scottish Enterprise and Highlands and Islands Enterprise

Scottish Enterprise is the Government's lead agency for economic development, environmental improvement and training matters in the Scottish lowlands. Highlands and Islands Enterprise has similar responsibilities in the north and west of Scotland.

Scottish Enterprise and Highlands and Islands Enterprise were established in April 1991 under the Enterprise and New Towns (Scotland) Act 1990. Most functions are delegated to a network of 13 local enterprise companies (LECs) in the Scottish Enterprise area and nine LECs in the Highlands and Islands Enterprise area. These LECs are independent companies under contract to the lead agencies and are led by a board made up mainly of business people.

Functions of Scottish Enterprise, Highlands and Islands Enterprise and the LECs are wider than those of TECs. They include planning and delivering the Government's main training services (Training for Work and Youth Training); providing a wide range of advice and information to small businesses and enabling others (such as local enterprise trusts) to do so; encouraging links between further and higher education and business; facilitating industrial property provision by the private sector; promoting self employment, and in the case of Scottish Enterprise promoting Scotland's industrial efficiency and international competitiveness, and improving Scotland's physical environment.

3.3.2 Wales

Since April 1992 the Secretary of State for Wales has had responsibility for the training, education and enterprise programmes, which from April 1997 will be delivered by the six TECs in Wales. In April 1994 he also assumed responsibility for training policy in Wales, and in March 1995 issued "People and Prosperity – an Agenda for Action in Wales". This document sets out how the Government's strategy on vocational education and training will be developed to meet the needs of Wales.

Whilst some of the arrangements for the delivery of training and enterprise functions mirror the position that DfEE has in England, different approaches exist reflecting the different needs and priorities of the Welsh economy.

4. Other Relevant Organisations

4.1 Industrial Relations Directorate (IRD), Department of Trade and Industry (DTI)

The Industrial Relations Directorate (IRD), is a division of the Department of Trade and Industry (DTI), created in July 1995 from a number of separate divisions of the former Employment Department Group when those responsibilities were transferred to the DTI.

The objective of IRD, which features as one of DTI's overall objectives, is:

"... to maintain a framework which provides a fair balance between the interests of people at work and their employers."

In pursuing this overall objective, IRD has responsibility in a number of policy areas:

- individual employment rights;
- industrial relations;
- hours of work, pay and public holidays;
- DTI interest in labour market issues; and
- employment agency standards.

IRD also has the operational responsibility for:

- the payment of redundancy and insolvency claims; and
- the administration of an employment agency standards inspectorate.

4.2 Advisory, Conciliation and Arbitration Service (ACAS)

The Employment Protection Act 1975 established ACAS as an independent body on 1 January 1976, though it actually began its work about a year before then. Its continuing existence is enshrined in the Trade Union and Labour Relations (Consolidation) Act 1992. The Service reports to a Council appointed by the President of the Board of Trade (The Secretary of State for Trade and Industry). In addition to a full-time Chairman, the Council consists of part-time members representing employers and employees, as well as independent members, usually academics or legal experts.

ACAS is charged with the general duty of promoting the improvement of industrial relations in the UK. It seeks to discharge this responsibility through the voluntary co-operation of employers, employees and their representatives. It has no powers of compulsion. Its approach is impartial and confidential.

ACAS provides employment-related information to employees and employers through a network of public enquiry points. It also provides conciliation, mediation and arbitration in collective industrial disputes, together with broader advisory mediation services aimed at preventing disputes arising in the first place. However, by far the greatest proportion of ACAS resources (62%) is devoted to

conciliation in disputes between individuals and employers about alleged unfair dismissal and other infringements of employment rights under a variety of statutory provisions.

ACAS has its headquarters in London and twelve regional offices across England. It also has an office for Scotland in Glasgow and one for Wales in Cardiff.

4.3 Central Arbitration Committee (CAC)

The Central Arbitration Committee was established by the Employment Protection Act 1975. Its continuing existence is enshrined in the Trade Union and Labour Relations (Consolidation) Act 1992. It provides voluntary arbitration in industrial disputes and determines statutory claims from trade unions on the disclosure of information for collective bargaining purposes. In 1995 30 disclosure of information cases were referred to the CAC.

The Chairman, Deputy Chairmen and members are appointed by the President of the Board of Trade. ACAS nominates candidates for the offices of Deputy Chairman and members.

The Central Arbitration Committee is based in London but holds hearings wherever is most convenient for the parties concerned.

4.4 Industrial tribunals

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 Rights Act 1996, which came into force in August 1996 consolidating the employment protection legislation. The tribunals are also empowered to hear complaints under other Acts of Parliament and various statutory regulations. A tribunal usually consists of a legally qualified chairman and two lay members who are drawn from each side of industry, though in certain circumstances a chairman may sit without lay members.

Under the Deregulation and Contracting Out Act 1994 industrial tribunals were given power on application from the Secretary of State to prohibit a person from being involved in the carrying out of any employment agency or business.

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

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

The Government has announced that the administrative support to the Industrial Tribunals and to the Employment Appeals Tribunal will become an executive Agency of the Department of Trade and Industry with effect from 1 April 1997. The tribunal judiciary will not be part of the Agency and the independence of the judiciary will not be affected.

4.5 Office of Manpower Economics (OME)

The Office of Manpower Economics (OME), which was established in 1970, is a non-statutory body and is independent of Government. Its main function is to provide the secretariat for five pay review bodies which exist to advise the Government on the remuneration of certain occupational groups in the public sector: the armed forces, doctors and dentists, nurses and professions allied to medicine, school teachers, and senior personnel from the Civil Service, armed forces and the judiciary.

The OME also provides the independent secretariat for the Police Negotiating Board, which facilitates all police pay, allowances and pension negotiations. In addition to these functions, the OME is responsible for the Pharmacists' Review Panel, the Civil Service Arbitration Tribunal and the Government Communications Headquarters arbitration arrangements. Increasingly, it also undertakes work on pay movements and levels in connection with Civil Service and agency pay agreements.

4.6 The Health and Safety Commission (HSC) and the Health and Safety Executive (HSE)

4.6.1 Legal status and functions of the HSC

The Health and Safety Commission (HSC) was first appointed in October 1974 by the Secretary of State for Employment under powers contained in the Health and Safety at Work etc. Act 1974 (HSWA). In July 1995, sponsorship of the HSC and HSE passed from the then Department of Employment to the Department of Environment. The HSC is responsible to the Secretary of State for the Environment and also to other Secretaries of State for the administration of the HSWA. The Act requires HSE 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; and to control storage and use of explosives, highly flammable and other dangerous substances.

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

The HSC consists of a Chairman and between six and nine members, appointed by the Secretary of State for the Environment after consultation with organisations representing employers, employees, local authorities and other organisations, as he sees fit.

4.6.2 Legal status and function of the HSE

The "Health and Safety Executive" is a corporate body of three persons appointed by the Commission with the consent of the Secretary of State for the Environment under the Health and Safety at Work etc. Act 1974. The Executive advises and assists the Commission in its functions.

It has some specific statutory responsibilities, notably for the enforcement of health and safety law, an area where local authorities also have enforcement responsibilities.

The term "HSE" is used for convenience to describe the whole of the Executive's organisation. Its staff include inspectors, policy advisers, technologists and scientific and medical experts.

The regulatory concerns of HSE range from nuclear and mines safety to safety in factories, farms, hospitals and schools, the safety of the gas grid and offshore oil installations, the movement of dangerous goods through transport systems, railway safety and many other aspects of the protection both of workers and the public.

4.7 The Careers Service

4.7.1 Careers Service legislation

Sections 45 and 46 of the Trade Union Reform and Employment Rights (TURER) Act 1993 transferred the duty (in England) of providing a Careers Service from Local Education Authorities to the Secretary of State for Education and Employment. A similar duty has been placed on the Secretaries of State for Wales and for Scotland. In England, the duty has been fulfilled through open competitive tendering. Since 1 April 1996, almost all careers services are operating under contract.

The legislation was introduced to:

- give Careers Services more freedom to manage their resources sensibly;
- respond more readily to changes in the local education and training environment; and
- adapt more effectively to the needs of the local community.

The Government intends to introduce legislation, as part of a General Education Bill, that will improve Careers Education and Guidance in maintained schools and colleges. The proposed legislation will:

- introduce a duty on schools to provide a programme of careers education for pupils aged 14 to 16;
- require maintained schools and colleges to provide access to careers services; and
- improve pupil and student access to careers materials.

4.7.2 Careers Service activities

The Careers Service aims to:

- provide a readily accessible service to help all young people make a successful transition from education to suitable work or training;
- ensure that pupils, students and staff at schools and colleges are aware of the demands that working life and wealth creation make on people and of the opportunities they offer them;
- help young people leaving schools, colleges and training organisations, and those young people who are unemployed, to find suitable employment education or training;
- promote equal opportunities regardless of sex, race, religion, etc.;

- contribute to the increasing achievement and prosperity of individuals, local communities and the economy through the provision of effective and impartial information services, careers guidance and assistance to enter appropriate education, training and work, and in so doing to promote equality of opportunity;
- encourage self-employment and the development of small firms.

4.7.3 Careers Service in Scotland and Wales

The main functions of the Careers Service in Scotland and Wales are:

- to work with guidance teachers in schools and colleges to develop careers education programmes;
- to give continuing vocational guidance to pupils and students in their later years at school or college and to help them reach informed and realistic decisions about their careers;
- to liaise with employers and training providers to ensure that young people receive efficient and effective help in securing and retaining a placement in work and training;
- to provide young people with comprehensive and up-to-date information on educational, employment and training opportunities;
- to ensure that parents and guardians of young people are aware of the services on offer, and are encouraged and enabled to offer support to their careers decisions.

CHAPTER II LEGAL FRAMEWORK AND PROCEDURES

1. Legal Instruments

The main sources of UK employment law are: Acts of Parliament and statutory instruments made under them; directly applicable and effective Community law; law derived from cases before the UK domestic courts and the European Court of Justice.

1.1 Legislation relating to employment rights and labour relations

1.1.1 Employment Rights Act 1996

This Act contains detailed provisions relating to the following employment rights: written particulars of the employment contract; itemised pay statements; guaranteed payment; payment for suspension from work on medical grounds; protection of employees from action short of dismissal taken against them in relation to specified health and safety matters; time off work; ante-natal care; maternity leave and suspension rights; rights on termination of employment (minimum notice and reasons for dismissal; right not to be unfairly dismissed; redundancy payments; rights on insolvency of employer; and unlawful deductions from wages.

The Industrial Tribunals Act 1996 provides Industrial Tribunals and an Employment Appeal Tribunal for the resolution of most employment rights (under the Employment Rights Act 1996 and other Acts relating to employment).

1.1.2 Transfer of Undertakings (Protection of Employment) Regulations 1981

These regulations, made under the European Communities Act 1972 to implement EEC Council Directive 77/187, provide for the protection of employees when undertakings change hands.

1.1.3 Trade Union and Labour Relations (Consolidation) Act 1992, as amended by the Trade Union Reform and Employment Rights Act 1993

This Act confers individual rights which protect workers against dismissal or discrimination on the grounds of union membership or participation in the activities of an independent union or of non-union membership; abuse of check-off deductions of union subscriptions from pay; and discrimination if dismissed while taking part in official (i.e. union-organised) industrial action. Provisions also provide rights to time off (and payment) for carrying out trade union duties.

The Act provides for the identification in law of bodies as trade unions and employers' associations; the rights of union members in relation to the conduct of certain aspects of their union's affairs (e.g., the election of union leaders, the expenditure of union funds on party political activities and remedies if a union unjustifiably disciplines a member or refuses membership to an individual); the duties of a trade union and employers' associations in relation both to these rights and to supply specified information to the independent Certification Officer for Trade Unions and

Employers' Associations; and special protection against legal proceedings for inducement to interfere with contracts if that is done in connection with a trade dispute, including the requirements which need to be satisfied if a union or any other person is to obtain that protection.

The Act also establishes machinery for promoting the improvement of industrial relations, specifically through the Advisory, Conciliation and Arbitration Service (see Chapter 1, 4.2). Its provisions also cover the appointment, duties and functions of the independent Certification Officer for Trade Unions and Employers' Associations, the Central Arbitration Committee, the Commissioner for the Rights of Trade Union Members and the Commissioner for Protection Against Unlawful Industrial Action.

1.2 Legislation relating to equal opportunities

1.2.1 Disability Discrimination Act (DDA) 1995

This Act applies to people who have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-to-day activities. It also applies to people who have had a disability. It provides new rights for disabled people in the areas of: employment; education; public transport; access to goods, facilities and services; and the sale and letting of land or property. The Act also applies in Northern Ireland.

The employment provisions of the Act make it unlawful for an employer to treat a disabled person – for a reason related to the disability – less favourably than other people unless there are justifiable reasons for doing so. The Act also requires employers to make a reasonable adjustment to the workplace and to employment arrangements where that would help overcome the practical effects of an individual's disability. The employment provisions do not apply to employers with fewer than 20 employees.

If disabled people think they have been discriminated against in employment, there is a right of redress through the industrial tribunal system, with the possibility of unlimited compensation.

The Government published – on 25 July 1996 – a statutory Code of Practice for the elimination of discrimination in the field of employment against disabled persons or persons who have had a disability and statutory Guidance on the matters to be taken into account in determining questions relating to the definition of disability contained in the Act.

1.2.2 Equal Pay Act 1970 (Amendment) Regulations 1983

These Regulations give a right to equal pay and conditions for men and women doing equal work for an employer.

Individuals have the right to complain to an industrial tribunal for legal remedies where terms and conditions are not equal.

Since it was originally enacted this Act has been substantially amended, in particular by the Sex Discrimination Act 1986 and the Sex Discrimination and Equal Pay (Miscellaneous Amendments) Regulations 1996.

1.2.3 Sex Discrimination Act 1975 (with the Sex Discrimination Act 1986)

This Act defines sex discrimination and makes it unlawful in a wide range of fields and activities. These include employment and training for employment and related activities. The Act does not apply in cases where a right to equality of treatment in terms and conditions of employment is conferred by the Equal Pay Act 1970 (above). The 1975 Act also makes it unlawful to discriminate against married persons.

The Act does allow, in certain circumstances, for positive action (but not positive discrimination, which is unlawful under the provisions of the Act). This means that employers and training organisations can encourage applications from individuals of a single sex to compete for jobs in which their sex is under-represented, or from those returning to work after a period of time at home looking after their families. However, all selections for training and employment must be made on the basis of merit.

Individuals have the right to complain to an industrial tribunal for legal remedies for unlawful discrimination.

The Act also establishes an Equal Opportunities Commission. The Commission is an independent, publicly funded (£5.8 million in 1996/97) body, which has three duties:

- to work towards the elimination of sex discrimination;
- to promote equality of opportunity; and
- to keep under review the working of the sex discrimination legislation.

Various provisions of the Act have been amended in particular by the Race Relations Act 1976, the Sex Discrimination Act 1986, the Employment Act 1989 and the Sex Discrimination and Equal Pay (Miscellaneous Amendments) Regulations 1996.

1.2.4 Race Relations Act 1976

The Act defines racial discrimination and makes it unlawful in a wide range of fields and activities. These include recruitment (including advertising), terms and conditions, promotion, dismissal, training, and training for employment. The legislation covers the behaviour of employers, training bodies, trade unions, qualifying bodies and employment agencies.

Individuals have the right to complain to an industrial tribunal for legal remedies for unlawful discrimination in employment.

There are limited exceptions to the general principle of non-discrimination. These include a range of positive action measures which employers, training bodies and others can lawfully take to encourage or train people from ethnic minorities to help them compete for jobs on an equal footing with the rest of the work force.

The Act also established a Commission for Racial Equality (CRE), which has a statutory duty to work towards the elimination of racial discrimination and to promote equality of opportunity and

good relations between persons of different racial groups. It has discretion to assist individuals who consider they have been discriminated against and may conduct formal investigations connected with its statutory duties for any purpose. The Commission also has a general responsibility for advising the Government on the working of the Act and is a principal source of information and advice about the Act for the general public.

The CRE has powers to issue Codes of Practice. The Code of Practice in Employment came into effect with the approval of Parliament in 1984. It gives practical advice to employers and others on how best to eliminate racial discrimination. The Commission, which is an independent body, is funded by the Home Office and received some £15 million grant-in-aid in 1993/94. Of this, nearly £5 million supported a network of local Racial Equality Councils (RECs) throughout the country, with which the Commission works in close partnership.

The Act generally parallels the Sex Discrimination Act 1975 (see above). Provisions of the 1976 Act have been amended by the Employment Act 1989.

1.3 Legislation relating to training

1.3.1 Employment and Training Act 1973

This Act empowers the Secretary of State for Education and Employment to make arrangements for the purpose of assisting persons to select, train for, obtain and retain suitable employment.

The Act also establishes a Careers Service under the direction of the Secretary of State and run by local education authorities and other persons with whom the Secretary of State has made arrangements. The purpose of the Careers Service is to assist persons undergoing certain full or part-time education to decide what type of employment will be preferable to them and what education and training is required and available to help fit them for their chosen field.

The Act has been substantially amended, in particular by the Employment Acts 1988 and 1989 and the Trade Reform and Employment Rights Act 1993.

1.3.2 Industrial Training Act 1982

The Act makes provision for industrial and commercial training of persons over school-leaving age by authorising the establishment of industrial training boards with powers to create, 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 now (by virtue of the amendments made by the Employment Act 1989 to the Act) subject to the approval of the Secretary of State.

1.4 Legislation relating to health and safety at work

1.4.1 Health and Safety at Work etc. Act 1974 (HSWA)

The Act makes provision for securing the health, safety and welfare of people at work, and for protecting people other than those at work against risks to their health and safety arising out of work activities. The Act places general duties on everyone concerned with work activities, ranging from employers, self-employed people and employees to manufacturers, designers, suppliers and importers of materials for use at work, people in control of premises and members of the public.

The Act established two bodies, the Health and Safety Commission and the Health and Safety Executive, to promote the objectives of the Act and to ensure the provisions are implemented. The Health and Safety Commission has the power to submit proposals for regulations and to approve codes of practice. The Health and Safety Executive is the main enforcing authority and performs functions on behalf of the Commission (see Chapter I, 4.1).

1.4.2 Mines and Quarries Act 1954

This Act makes provisions concerning the management and control of mines and quarries for securing the safety, health and welfare of persons employed in them. A review of the Act is in progress and it is gradually being replaced by Regulations made under the Health and Safety at Work etc. Act 1974, in particular the Management and Administration of Safety and Health at Mines Regulations 1993, which covers the arrangements for managing health and safety at mines and quarries.

1.4.3 Factories Act 1961

This Act consolidates earlier Factory and related Acts concerning the safety, health and welfare of factory workers. All the provisions of this Act are being reviewed as part of the Health and Safety Commission's programme of work to rationalise and modernise health and safety legislation. Where necessary, the provisions are being replaced by regulations made under the Health and Safety at Work etc. Act 1974.

1.4.4 Offices, Shops and Railway Premises Act 1963

This Act makes provisions for the safety, health and welfare of persons employed in such premises. The provisions of this Act are being reviewed in the same way as the Factories Act (see 1.4.3 above).

1.4.5 Nuclear Installations Act 1965

This Act consolidates the Nuclear Installations (Licensing and Insurance) Act 1959 and the Nuclear Installations (Amendment) Act 1965 and controls through licensing the use of fixed sites for the purposes of building and operating nuclear reactors and other prescribed nuclear installations, subject to conditions which may be imposed in the interest of safety. It imposes strict liability in certain circumstances for personal injuries involving nuclear material. The Act also established the Nuclear Installations Inspectorate (now incorporated into the Health and Safety Executive).

1.4.6 Employer's 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. The Act allows for regulations to make employers exempt. Provision is made for the display of certificates of insurance (issued by the insurers) for the information of employees. The Act does not affect employers' liability for injuries to employees, but ensures they are able to meet the cost of any claim for compensation.

1.4.7 Offshore Safety Act

This Act, which came into force on 6 March 1992, transferred responsibility for offshore health and safety to the Health and Safety Commission and Health and Safety Executive; and brought the regulation of safety offshore (on the United Kingdom Continental Shelf) within the compass of the Health and Safety at Work etc. Act 1974 (HSWA).

The Act also increased the maximum penalty for certain offences under the HSWA, both onshore and offshore, to a maximum of £20,000 on summary conviction (Magistrates Court; Sheriff Courts in Scotland). In certain cases, Magistrates and Crown Courts will be able to imprison offenders.

A range of other health and safety regulations have recently been introduced following the Cullen report into the Piper Alpha disaster. These include the Offshore Installations (Safety Case) Regulations 1992 (SCR), which require all fixed and mobile offshore installations to have a safety case which HSE has confirmed in writing as acceptable. It is illegal to operate in UK waters without first having an accepted safety case.

1.4.8 Offshore Safety (Protection Against Victimisation) Act

This Act replaced the Offshore Safety (Protection Against Victimisation) Act 1992 by amending the Employment Protection (Consolidation) Act 1978. It extended protection to all onshore and offshore employees, regardless of length of service, hours of work or age, to complain to an Industrial Tribunal if they are dismissed, selected for redundancy or subjected to any other detriment because of a range of health and safety-related actions.

1.5 Other legislation

1.5.1 Pneumoconiosis, etc. (Workers' Compensation) Act 1978

This Act provides Government compensation for sufferers of certain dust-induced diseases, and for their surviving dependants, when they are unable to claim compensation through the courts because their employer has ceased to exist.

Safety cases must be sufficiently detailed to demonstrate that there is an effective system of management of health and safety on the installation with arrangements for it to be independently audited; and that all hazards which could cause a major accident have been identified and controls put into place to reduce the risks to people to as low as reasonably practicable.

2. Industrial Relations

The UK Government believes that industrial relations are conducted best on a voluntary basis between employers and employees; the structure of industrial relations in the UK reflects this. The Government's reforms of employment law have helped to achieve a better balance between trade unions and employers, and between trade unions and their own members.

In the twelve months preceding May 1996 around 0.38 million working days were lost through strike action. This compares with an average of 7.2 million in the 1980s and 12.9 million in the 1970s. The total of 0.28 million working days lost for 1994 was the lowest calendar-year figure since records began in 1891.

Since 1979 the Government has been committed to keeping industrial relations and trade union legislation under review, and to reforming that law as necessary to ensure that a fair balance is struck between the rights of employers and workers.

Particular reforms have included:

- repeal of the 1970s law which sought to enable trade unions to force unwilling employers to bargain with them about terms and conditions, while leaving unions and employers free to decide for themselves whether to bargain collectively (which many continue to do);
- adding to the protection already available to prevent dismissal of, or discrimination against, employees on grounds of membership or participation in trade union activities by:
 - (i) preventing employers from discriminating against employees or would-be employees because they do not wish to belong to a trade union (i.e., "closed shop" practices);
 - (ii) outlawing industrial action to establish or maintain such practices; and
 - (iii) giving individuals greater freedom to belong to the union of their choice;
- preserving the special statutory protection for the organisation of industrial action (and total freedom for employees to go on strike without risk of being ordered back to work by a court), but:
 - (i) making trade unions responsible, in law, for the organisation of industrial action by any union officers or officials;
 - (ii) requiring a union to obtain the support of members in a secret ballot, and to provide notice of its intentions to employers, before organising such action; and
 - (iii) removing the protection from "secondary" action involving workers who have no dispute with their own employer, and from "flying pickets" (i.e., those who picket other than at their own place of work).

The programme of reform, and its results, is widely recognised to have contributed to the improvement in UK industrial relations since 1979.

2.1 Employers' associations

The Trade Union and Labour Relations (Consolidation) Act 1992 defines an employers' association as an organisation of employers whose principal purposes include the regulation of relations between such 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 1995 the list comprised 114 organisations, and an additional 115 employers' associations submit annual returns to the Certification Office but have not sought to be listed. All of these bodies are concerned with the negotiation of pay and working conditions and many of them also perform the function of a "trade association", i.e. 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 over 250,000 public and private firms together with most of the nationalised industries, and more than 200 trade associations, employer organisations and commercial organisations. Only corporate membership is allowed.

2.2 Trade unions

The Trade Union and Labour Relations (Consolidation) Act 1992 defines a trade union as an organisation of workers whose principal purposes include regulation of relations between such workers and employers. 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 Officer. At the end of 1995, the list comprised 287 organisations, and an additional 25 trade unions submit annual returns to the Certification Officer but have not sought to be listed.

The aim of trade unions is primarily to improve the status, pay and conditions of employment of their members. An increasing number also offer other services to individual members, e.g. education, legal and financial services.

The Trade Union Congress (TUC) is an overall confederation to which 73 trade unions, representing 6.75 million workers, were affiliated in 1996.

2.3 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, health and safety, working conditions, discipline, allocation of work and other matters which can be the subject of a trade dispute.

2.4 Pay bargaining

Pay determination takes place at several levels. In recent years there has been a significant shift away from centralised industry-wide agreements to company or plant-level agreements and the development of flexible payment systems, which are responsive to performance and local labour market conditions. This trend has been accompanied by a move away from collective bargaining towards individual methods of pay determination based on performance and profitability.

In the private sector, the Government's view is that pay is a matter for agreement between employers and workers. Businesses are best able to judge what they can afford and what is required to recruit, retain and motivate suitable staff. Within this framework, companies and their employees know that, in order to maintain competitiveness, pay increases must be justified by improved performance. The Government's approach to the public sector is based on similar principles, and there have been significant moves towards delegated and performance-related pay arrangements, for example in the Civil Service.

In the UK there is no statutory national minimum wage. The Social Security benefits such as Family Credit, Housing Benefit and Council Tax Benefit are specially designed for those in work on lower wages.

2.5 Methods of collective bargaining

Collective bargaining machinery has evolved according to the varying needs and circumstances of the different trades and industries. One commonly used system has been that of the Joint Industrial Councils (JICs) – standing bodies composed of equal numbers of employer and employee representatives. However, 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, company and factory negotiations are conducted by meetings held when necessary. In the event of disputes, ACAS (see Chapter 1, 4.2), is available to help the parties reach agreement.

2.6 Employee involvement

The UK Government is firmly committed to employee involvement on a voluntary basis. The Government believes that legislation is unnecessary and counterproductive because employee involvement produces the best results when it is flexible and tailored to the needs and culture of each organisation. To that end the Government encourages and publicises best practice, funds research and provides incentives through the tax system for financial participation of employees.

2.7 Certification Officer for Trade Unions and Employers' Associations

The post of Certification Officer was established under Section 7 of the Employment Protection Act 1975 and continued by Section 254 of the Trade Union and Labour Relations (Consolidation) Act 1992. The Certification Officer is an independent statutory authority appointed by the President of the Board of Trade.

The Certification Officer is responsible for:

- maintaining a list of trade unions and employers' associations;
- for receiving and scrutinising annual returns from trade unions and employers' associations;
- for reimbursing certain costs of trade unions' secret postal ballots;
- for dealing with complaints concerning trade union elections and the conduct of merger ballots;
- for ensuring observance of statutory requirements governing mergers between trade unions and between employers' associations, political funds and trade union finances; and
- for certifying the independence of trade unions.

2.8 Commissioner for the Rights of Trade Union Members

The Office of Commissioner for the Rights of Trade Union Members was established by Section 19 of the Employment Act 1988 and continued by Section 266 of the Trade Union and Labour Relations (Consolidation) Act 1992, as amended by the Trade Union Reform and Employment Rights Act 1993. The Commissioner may provide assistance to any union member who is taking, or contemplating taking, certain legal proceedings against his union or against an official or trustee of his union. The Commissioner is independent of Government control and cannot be directed by Ministers to assist, or not to assist, any particular application.

2.9 Commissioner for Protection against Unlawful Industrial Action

The Office of Commissioner for Protection Against Unlawful Industrial Action was created in 1993. The Commissioner may provide assistance to any individual who is taking, or contemplating taking, proceedings against a trade union to prevent the union unlawfully organising industrial action which deprives the individual of goods or services. The Commissioner is independent of Government, and cannot be directed by Ministers to assist, or not to assist, any particular application.

CHAPTER III MEASURES

1. Overall Developments and General Measures

- 1.1 Increasing the efficient working of the labour market
- 1.2 Active labour market policies and programmes
- 1.3 Improving the quality of the work force
- 1.4 Conclusion

2. Increasing the Efficient Working of the Labour Market

- UK-ii.1 Introduction – Measures to help unemployed people
- UK-ii.2 Jobseeker's Allowance (JSA)

3 Active Labour Market Policies and Programmes

- UK-iii.1 New Jobseeker Interview/Advisory Interview
- UK-iii.2 End of Permitted Period/13 Week Interviews
- UK-iii.3 Job Search Plus
- UK-iii.4 Restart Interviews
- UK-iii.5 Travel to Interview Scheme
- UK-iii.6 Job Interview Guarantee
- UK-iii.7 Jobclubs
- UK-iii.8 Restart Courses
- UK-iii.9 Work Trials
- UK-iii.10 1-2-1
- UK-iii.11 Workwise
- UK-iii.12 Jobplan Workshops
- UK-iii.13 Jobfinder's Grant
- UK-iii.14 Jobmatch
- UK-iii.15 Project Work
- UK-iii.16 European Employment Services (EURES)

4. Improving the Quality of the Work Force

- UK-iv.1 National Education and Training Targets
- UK-iv.2 The Competitiveness White Papers
- UK-iv.3 National Vocational Qualifications
- UK-iv.4 General National Vocational Qualifications (GNVQs)
- UK-iv.5 Investors in People
- UK-iv.6 National Training Awards
- UK-iv.7 Education Business Partnerships
- UK-iv.8 Compacts
- UK-iv.9 Teacher Placement
- UK-iv.10 Small Firms Training Loans (SFTL)
- UK-iv.11 Youth Training
- UK-iv.12 Youth Credits
- UK-iv.13 Modern Apprenticeships
- UK-iv.14 Technical and Vocational Education Initiative (TVEI)
- UK-iv.15 Training for Work (TfW)
- UK-iv.16 Career Development Loans (CDLs)
- UK-iv.17 Programme Development Funds
- UK-iv.18 The Single Regeneration Budget (SRB)

5. Equal Opportunities

- UK-v.1 Equal Opportunities in Employment Service Operations
- UK-v.2 Equal Opportunities in TEC/LEC Activities
- UK-v.3 The Race Relations Employment Advisory Group
- UK-v.4 The Race Relations Employment Advisory Service (RREAS)
- UK-v.5 People with Disabilities

6. Miscellaneous

- UK-vi.1 DfEE Initiatives in Central and Eastern Europe

1. Overall Developments and General Measures

The Government's role is to set a stable economic framework within which individuals and companies are free to make their own choices. Government economic policies are designed to combat inflation and create the climate for sustained economic growth, which will in turn create opportunities for employment. That means encouraging flexible, efficient and competitive markets, including labour markets, to remove obstacles to the creation of jobs. The Government also takes steps to ensure that unnecessary or excessive regulation does not stifle the growth of employment. An important and continuing thrust of economic policy has been to examine controls and regulation and decide which are really needed.

Since 1979, the Government has pursued a wide-ranging strategy aimed at improving the working of the labour market. The OECD Jobs Study (1994) also recognised the importance of improving the operation of the labour market, in particular its facility to adapt to change.

Labour market reform in the UK has focused on three aspects of labour market performance in particular:

- increasing the efficient working of the labour market;
- increasing the ability of unemployed people to get jobs and to compete effectively within the labour market; and
- improving the quality of the work force, in particular by encouraging investment in skills by individuals and their employers.

1.1 Increasing the efficient working of the labour market

Government action to increase labour market efficiency has comprised the reform of industrial relations and trade union legislation; the removal of regulations which hindered job creation; the reform of employment protection legislation to ensure that it provides necessary protection for individual employees whilst not acting as a disincentive to recruitment; and the encouragement of new, decentralised and more flexible pay and pay determination arrangements in both the private and public sectors.

Trade union and industrial relation reforms introduced since 1979 have redressed the balance between employers and unions, and made unions more accountable to their members. The reforms have introduced a number of significant changes to the legal immunities enjoyed by trade unions and have increased rights of members. For example, employers are now free to decide whether to recognise trade unions; the closed shop has been banned; there is no immunity for organising "secondary" industrial action, and "flying pickets" are unlawful; trade unions must hold postal ballots for strike decisions, elections of leaders and establishment or maintenance of political funds; and trade unions themselves, rather than their officials, are now liable for damages for unlawful industrial action and can be fined for contempt of court.

Employment protection legislation has been amended to ensure that it provides necessary protection for individual employees whilst not acting as a disincentive to recruitment. For example, the qualifying periods for the general right to complain of unfair dismissal were extended in the early 1980s while, more recently, protection against dismissal on prohibited grounds was enhanced. The industrial tribunals have been reviewed to provide a more efficient enforcement mechanism.

There has been a significant trend away from centralised collective bargaining and towards delegated and performance-related pay. For example, by 1990, manual workers in only a quarter of establishments in the private sector with 25 employees or more still had their pay determined by collective bargaining. Public sector pay has also become more flexible; responsibility for pay and grading in the Civil Service has been delegated to individual departments and agencies and local pay has been established in the National Health Service.

1.2 Active labour market policies and programmes

The UK's active labour market policies and employment and training programmes for unemployed people have developed progressively. The Government has taken steps to:

- strengthen the link between benefit payment and active jobsearch, and improve incentives to work;
- re-integrate benefit payments with employment services;
- keep unemployed people in touch with the labour market through a range of programmes and measures including regular interviews by the Employment Service (ES);
- improve the effectiveness of the ES in getting unemployed people into jobs, through means which include the use of performance targets.

Building on those steps, the Government has undertaken a major reform of the unemployment benefit system from October 1996 with the introduction of a new single benefit for those out of work. The Jobseeker's Allowance (JSA) (see Chapter III, UK-ii.2) will aim to improve the operation of the labour market by helping people in their search for work, while ensuring that they understand and fulfil the conditions for receipt of benefit.

The UK's labour market programmes have focused increasingly on integrating unemployed people directly into the labour market by getting them into jobs. The programmes have also continued to be closely targeted on those groups in most need of help, especially the long-term unemployed.

1.3 Improving the quality of the Work Force

The UK Government's training strategy aims to increase individual and national prosperity by stimulating enterprise and developing excellence in skills. This is being achieved by:

- employers, the self-employed and individuals within the work force investing effectively in the skills needed for business creation and growth, and individual success;
- unemployed people acquiring and maintaining relevant skills;
- encouraging and enabling young people to gain the skills and enterprising attitudes needed for entry to the work force; and
- making the market for vocational education and training more responsive.

The Government has made a major commitment to improving the training infrastructure, both by establishing employer-led private-sector Training and Enterprise Councils and by supporting the development of a comprehensive framework of vocational qualifications. The Government has also endorsed employer-led national training and education targets and promoted a wide range of initiatives to encourage investment in skills.

1.4 Conclusion

The Government will continue to pursue policies designed to improve the operation of the labour market. Further reforms will continue to focus on labour market efficiency, active labour market policies and programmes, and improving work-force quality.

2. Increasing the Efficient Working of the Labour Market

UK-ii.1 Introduction – Measures to help unemployed people

UK-ii.2 Jobseeker's Allowance (JSA)

Introduction – Measures to help unemployed people

The Employment Service helps people get back to work through its job placement services and other programmes, and pays unemployment benefits and allowances to those entitled to receive them (see Chapter I for more detail). These services are provided through 1,100 local offices, called "Jobcentres", which provide the first point of access to Government Services for unemployed people seeking advice and unemployment benefits. Training measures (see Chapter III, 3) are also designed to help other people.

The Placement Service

Job vacancies are notified at local level to the Employment Service network of Jobcentres. Jobs may also be circulated on a local areas basis through a computerised network called Labour Market System (LMS). The LMS operates using four separate regional databases which are not yet able to transfer vacancy data. The NATVAL system is currently providing a link between databases. If a jobcentre wishes to distribute a vacancy nationally, they "push" the details to NATVALs on their database and the vacancy is then re-input into the other three databases. Jobcentres then access the vacancies on their own terminals.

Unemployed people looking for work are not compelled to use the Employment Service placement service and are free to seek employment from any source. However, unemployed people claiming benefit(s) are required to demonstrate that they are available for and actively seeking work. Failure to demonstrate that they are available for and actively seeking work can lead to loss of benefits.

Notification of vacancies

Notification of vacancies to the Employment Service is not compulsory. This is because:

- increased bureaucracy and higher administration cost would be incurred;
- it would restrict 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;
- there would be negative effects on private sector recruitment interests such as newspapers carrying out advertising and private employment agencies; and
- there is no evidence that an increase in net employment would result from such a measure.

Surveys suggest that about 30% of vacancies are notified to Employment Service offices.

Matching procedures

A matching and screening service is available to employers through the Job Interview Guarantee (JIG) initiative. Employers are offered this service in return for a guarantee that they will interview all candidates submitted to them by the Employment Service. The candidates are matched from a record of clients who have been unemployed for six months or more.

Jobseeker's Allowance (JSA)

The Jobseeker's Allowance (JSA) replaced Unemployment Benefit and Income Support for unemployed people on 7 October 1996. The Government's three main aims in introducing JSA are:

- to improve the operation of the labour market by helping people in their search for work, while ensuring that they understand and fulfil the conditions for receipt of benefits;
- to secure better value for money for the taxpayer by a streamlined administration, closer targeting on those who need financial support and a regime which more effectively helps people back into work;
- to improve the service to unemployed people themselves by a simpler, clearer, more effective benefit structure, and by better service delivery.

JSA is the joint policy responsibility of the DfEE and the Department of Social Security (DSS). It is delivered from Employment Service Jobcentres (ESJs). Employment Service staff deal with the labour market aspects of the benefit, and Benefits Agency staff (working in the ESJs) deal with payment matters.

JSA has two routes of access:

1. People who have paid or been credited with sufficient National Insurance contributions in the two previous tax years can claim a personal allowance of contribution-based JSA for up to six months.
2. People who are not entitled to contribution-based JSA, or whose needs are not met by it, can claim income-based JSA for themselves and their dependants on an indefinite basis. Income-based JSA can also include help with mortgage interest payments, and premia for circumstances such as disability. It also automatically entitles recipients to full Housing Benefit (for help with housing rental) and Council Tax Benefit (for help with the Council Tax).

JSA rates are aligned with those of Income Support, which continues to be claimed by people who are not in the labour market. Lone parents and certain people with disabilities can claim either Income Support or income-based JSA; if they choose to claim JSA they must satisfy its labour market conditions.

From October 1996, the basic amount of JSA payable to a single person aged 25 or over is £47.90 a week.

Labour market conditions

The labour market conditions of entitlement for JSA are that jobseekers must be available for work, must seek work actively, and must enter into a Jobseeker's Agreement.

Jobseekers must normally be willing and able to take up immediately any employed earner's employment. They must also normally be available for at least 40 hours work a week, and can stipulate any preferred "pattern of availability" across the week providing it gives them reasonable prospects of obtaining employment. Those with caring responsibilities or a physical or mental disability can restrict themselves to fewer than 40 hours if necessary (subject to a minimum of 16 for carers). Carers and people engaged in voluntary work can be available at 48 hours' notice; people providing a service can be available at 24 hours' notice.

To comply with the actively seeking work requirement, jobseekers must normally take at least two steps each week to look for work. The steps should be ones that they can reasonably be expected to take to have the best prospects of securing employment. A step can be disregarded if in taking it the claimant undermined his chances of securing employment through unacceptable behaviour or appearance.

In certain prescribed circumstances, jobseekers can be treated as available and actively seeking work for a limited period.

For up to 13 weeks at the beginning of the claim, jobseekers can limit their availability and job-search to their usual occupation and rate of pay. After that period they should widen the range of work they are prepared to accept, and further restrictions are not normally allowed unless the jobseeker still has reasonable prospects of securing work. After six months, no restrictions on pay are allowed.

Each jobseeker must enter into a Jobseeker's Agreement with an Employment Service adviser. The document sets out any agreed restrictions on the claimant's availability and records the action the jobseeker will take to look for work. It can be varied at any time. If the jobseeker and adviser are unable to reach agreement on its content, the document is referred to an independent Adjudication Officer, who will decide whether the proposed terms would enable the jobseeker to comply with the availability and actively seeking work conditions, and whether they are reasonable. The Adjudication Officer can direct the terms under which a jobseeker should enter into an Agreement.

Attendance and interviews

New jobseekers have a New Claim Interview with an adviser at which the conditions of entitlement for JSA are explained, and the Jobseeker's Agreement is drawn up and signed. Jobseekers are then normally required to attend the Jobcentre once a fortnight to make a written declaration about their availability, jobsearch activity and circumstances. People who live more than an hour's journey from the office can make their declarations by post. All jobseekers are required to attend in-depth Restart interviews at six-monthly intervals, and other interviews are held when appropriate.

Employment Service advisers may decide to issue a Jobseeker's Direction with a view to helping a jobseeker to find employment or improving his prospects of being employed. The Direction must be reasonable in the jobseeker's circumstances and will require him to take some specific action, such as enquiring about a particular training course or taking steps to present himself acceptably to an employer.

Sanctions

Jobseekers who unreasonably cause or perpetuate their own unemployment are liable to a benefit sanction. The sanction for losing employment through misconduct, leaving employment voluntarily without just cause, and refusing an offer of employment without good cause is loss of benefit for up to 26 weeks.

A fixed sanction of two weeks is imposed if, without good cause, a jobseeker refuses or fails to attend a prescribed training scheme or employment programme or to carry out a Jobseeker's Direction. If a further fixed sanction has to be imposed within twelve months, its length is four weeks.

Decisions are taken by independent Adjudication Officers. Provided the conditions of entitlement for JSA continue to be satisfied, payment continues in full pending a sanction decision.

Hardship

Claimants can apply for reduced-rate hardship payments if JSA is not payable in connection with one of the labour market conditions, or because a sanction has been imposed. They must show that they or a member of their family would otherwise suffer hardship. In certain circumstances hardship payments are available only to people in a prescribed vulnerable group.

Effect of earnings and other income

Claimants can undertake a certain amount of part-time work while in receipt of JSA, but should be prepared to give up a part-time job in order to take up a full-time one. Claimants working for 16 hours or more a week are not entitled to JSA, but may be able to claim in-work benefits such as Family Credit, Housing Benefit and Council Tax Benefit. If a claimant's partner works for 24 hours or more a week, the claimant's entitlement to income-based JSA ceases, but a partner's work does not affect the claimant's entitlement to contribution-based JSA.

A claimant's income from part-time work, and that of his partner in the case of income-based JSA, is offset fully against JSA entitlement except for a specified disregard. This is £5 a week for single claimants, £10 for couples and £15 for people in special categories such as lifeboatmen and part-time firemen.

Payments from a former employer in respect of holiday pay and compensation for loss of employment or notice (but not statutory Redundancy Payments) are treated as earnings.

Any amount by which a claimant's occupational or personal pension exceeds £50 a week is fully offset against contribution-based JSA entitlement. The whole of any such pension is taken into account as income for the purpose of income-based JSA.

3. Active Labour Market Policies and Programmes

- UK-iii.1 New Jobseeker Interview/Advisory Interview
- UK-iii.2 End of Permitted Period/13 Week Interviews
- UK-iii.3 Job Search Plus
- UK-iii.4 Restart Interviews
- UK-iii.5 Travel to Interview Scheme
- UK-iii.6 Job Interview Guarantee
- UK-iii.7 Jobclubs
- UK-iii.8 Restart Courses
- UK-iii.9 Work Trials
- UK-iii.10 1-2-1
- UK-iii.11 Workwise
- UK-iii.12 Jobplan Workshops
- UK-iii.13 Jobfinder's Grant
- UK-iii.14 Jobmatch
- UK-iii.15 Project Work
- UK-iii.16 European Employment Services (EURES)

New Jobseeker Interview/Advisory Interview

Aim

Advisory interviews assist jobseekers back into work either directly through submission to a job vacancy or indirectly through employment and training programmes. The interviews will result in an updated Jobseeker's Agreement being developed.

Like all advisory interviews, the new jobseeker interview aims to help people back to work. The adviser conducting this interview must ensure the jobseeker has sufficient information to allow them to decide whether claiming JSA is appropriate.

Contents

The new jobseeker interview is the first in a series of advisory interviews.

The adviser will explain the legal conditions under which JSA is payable. The Jobseeker will decide, based on the information given, whether pursuing a claim to JSA is appropriate. If the Jobseeker decides not to claim JSA, the adviser will discuss their next course of action.

The purpose of this interview is to discuss in detail the availability and actively seeking work conditions and how they relate to the jobseeker. A Jobseeker's Agreement will be developed and entered into with the jobseeker.

Institutional support

The new jobseeker interview is run by the Employment Service.

UK-iii.2

End of Permitted Period/13 Week Interviews*Aim*

To assist people who are at the end of their permitted period, or if they do not have one, those unemployed for 13 weeks to get into jobs quickly.

Contents

At their New Jobseeker Interview, people with a "usual occupation" are given a permitted period of between one and 13 weeks. During this period, people can restrict their jobsearch to their usual occupation and/or their usual rate of pay. At the end of the permitted period or at 13 weeks for those without a permitted period, people are invited to an interview to discuss their situation, look at broadening their jobsearch and review, and where necessary, revise their Jobseeker's Agreement.

As part of this process people are able to find out about and get access to the employment and training opportunities which are available. For example, Job Search Plus. Advisers are also able to give information about In-Work benefits.

Financial resources

See Job Search Plus.

Duration

13 Week Interviews were introduced in July 1991.

Job Search Plus

Aim

To help people who have been unemployed for 13 weeks get back to work quickly.

Legal basis

Employment and Training Act 1973.

Contents

Job Search Plus is a 3-day course which replaces Job Search Seminars and Job Review Workshops. The courses are designed to encourage wider jobsearch activity and to improve techniques in looking for work.

Members are provided with training on how to apply more effectively for jobs. They also receive 20 copies of their CV and a jobsearch resource pack.

Financial resources

In 1996/97 the programme budget is £6 million.

Institutional support

The seminars are funded by the Employment Service (ES), and delivered by external organisations on behalf of the ES.

Duration

Began in April 1996.

Effects

The programme will be evaluated during 1997/98.

Restart Interviews

Aim

- To ensure long-term unemployed people know about and have access to their fair share of employment and training opportunities;
- to encourage people to be more active in looking for work;
- to equip people to compete more effectively in the jobs market; and
- to ensure that people understand and continue to meet the conditions for receipt of JSA.

Contents

Everyone who has been unemployed for six months or more is guaranteed an in-depth interview with an adviser every six months. This enables the Employment Service to give priority help to those who need it most. Through Restart interviews, unemployed people can look afresh at their situation, review their Jobseeker's Agreement to make sure it still offers them the best chance of finding work and consider the opportunities available. For example, a job interview through Job Interview Guarantee, a place on a training programme, help with starting their own business or a place in a Jobclub. (Further details on these programmes appear later in this chapter).

In addition, advisers provide assessments of income in employment, taking into account In-Work benefits, including Family Credit, Housing Benefit and Council Tax Benefit, and offer advice on alternative benefits. They can also give special help to those clients who have particular difficulties and give concentrated assistance in identifying the causes of their problems.

Financial resources

£28.3 million in 1995/96 plus an extra £600,000 to cover payment of fares to attend interviews.

Duration

Employment Service Claimant Advisers were introduced following the merger of the posts of Restart Counsellors and Claimants Advisers in 1990/91.

Effects

In 1995/96, 31% of clients interviewed started a job, a training or employment programme; claimed another, more appropriate, benefit; or left the register as a direct result of adviser action.

UK-iii.5

Travel to Interview Scheme

Aim

To assist unemployed people in their search for work by paying the cost of travelling to interviews beyond normal daily travelling distance.

Legal basis

Employment and Training Act 1973.

Contents

Assistance given with the cost of travelling to pre-arranged interviews which is beyond normal daily travelling distance of the applicant's home. There are a number of eligibility conditions which need to be met. One is that the applicant must be unemployed and claiming benefit for 13 weeks or more at the date of application. The job must also be for 30 hours a week or more, and be expected to last for twelve months or more, or be a short-term renewable contract.

Financial resources

£1.7 million in 1995/96.

Institutional support

The scheme is funded and administered by the Employment Service.

Duration

Began in 1986.

Effects

In 1995/96 nearly 48,000 applicants were accepted.

Job Interview Guarantee

Aim

To help long-term unemployed people into jobs by obtaining employers' agreement to guarantee a job interview in return for enhanced services from the Employment Service.

Contents

The initiative achieves its aim through a range of services offered to employers. These options are:

- Matching claimants to posts (around 95% of total);
- Job Preparation Courses; and
- Customised Training.

Financial resources

The budget for 1995/96 was £98,000.

Duration

Began in September 1989.

Effects

In 1995/96 300,000 people were assisted through JIG, with 178,000 going into jobs.

Jobclubs

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 look for jobs successfully. They are run by Jobclub Leaders who provide eight 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 interviews. Members are provided with typing, photocopying and telephone facilities as well as stationery and stamps to aid them in their job-hunting. Following 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 obtain work.

Financial resources

In 1995/96 the programme budget was £62 million and is £42 million in 1996/97.

Institutional support

The programme is funded by the Employment Service.

Duration

Began in November 1984.

Effects

In the operational year 1995/96 over 13,000 Jobclubs were operating, of which all but 81 were run by external providers on behalf of the Employment Service. In the same period, some 240,000 people entered the Jobclub programme. Of these, over 95,000 people entered a job and a further 24,000 took up training, further education or business on their own account.

Restart Courses

Aim

To help people who have been out of work for two years or more build confidence and enhance jobsearch activity.

Contents

In 1994 new style Restart Courses were introduced. These courses last for two weeks and combine part-time attendance with assigned jobsearch tasks in the afternoons. The course is delivered in an informal and friendly environment and uses a modular approach to ensure that each group's needs are met.

During the course people are given the opportunity to spend time enhancing their jobsearch techniques. Individual in-depth guidance is given by the course leaders on the other training and employment options that are open to them. During the two weeks people can set themselves clear, achievable job goals. They will be helped to draw up comprehensive action plan which will map out the steps that they need to take to achieve their job goal.

Financial resources

The Restart course programme budget is around £8.6 million for 1996/97.

Institutional support

Restart Courses are funded by the Employment Service (ES) and are run by external organisations on behalf of the ES.

Duration

Since December 1990 people who have been registered unemployed for two years or more who refuse or fail to take up a place on an Employment Department employment or training programme are required to attend a Restart Course. Those who fail to attend or complete the course may lose a proportion of their personal Income Support.

Effects

In 1995/96 104,000 people started the course, resulting in nearly 31,000 people starting a job, training or employment programme or other option.

Work Trials

Aim

To help the Employment Service's priority clients into work.

Contents

Employers who may have doubts about a jobseekers' skills, motivation or ability to cope with the job on offer have an opportunity to take them on for a trial period of up to 15 days before deciding whether to take them on permanently. During the Work Trial the candidate remains on benefit. This arrangement can help overcome the insecurity long-term unemployed people may feel in leaving benefit for a job which they are not certain they are suited to.

Financial resources

The budget for 1996/97 is approximately £7 million.

UK-iii.10

1-2-1*Aim*

To assist people aged between 18 and 60, who have been unemployed for twelve months and who do not agree to attend an ES or TEC programme, with jobsearch skills and careers guidance. Also, on a voluntary basis, for some clients unemployed for shorter duration.

Contents

Through caseloading, the client will be offered concentrated help during a series of up to six interviews. At the interview, advisers will challenge the factors which prevent the client from re-entering the labour market, appraise their skills and assets and help them develop plans to overcome barriers. If, at the end of the 1-2-1 interviews, mandatory clients have not been successful in finding a job or starting a programme, they will be directed to attend Workwise (Worklink in Scotland) if they are aged 18 to 24, or Jobplan if they are 25 or over.

Financial resources

The programme budget for 1996/97 is £15.76 million.

Duration

1-2-1 was introduced as a pilot for 18 to 24-year-olds in April 1994. After good results during the pilot, Ministers announced that the initiative would be expanded nationally from April 1995. It was decided to expand the initiative again from April 1996, increasing the number of opportunities from 95,000 to 239,000, which enables help to be given to a much wider target group, not just young people.

Effects

Interim evaluation based on a tracking study at the early stages of the pilot showed a 6% difference in the numbers coming off the unemployment register in the 1-2-1 group compared with the control group.

UK-iii.11

Workwise

Aim

To give unemployed people aged 18 to 24 who have been unemployed for twelve months the knowledge, skills and motivation to put together and carry through an effective jobsearch campaign.

Contents

Workwise is a four-week programme combining daily part-time attendance (usually mornings) with linked jobsearch activity (usually afternoons) for the remainder of the day. Attendance is mandatory and failing to start or complete the whole course may result in a loss of benefit. People required to attend the course will be asked to carry out programme-related assignments when they are not attending the course. They will be expected to keep details of what they have done on activity logs, which will be available with their action plan to advisers at the end of the course.

Financial resources

The programme budget for 1996/97 is £7.1 million.

Duration

Workwise was introduced as a pilot in April 1994. After good results during the pilot, the initiative was expanded nationally in April 1995.

Jobplan Workshops

Introduction

People who have been unemployed some time often face difficulties returning to the labour market. It is not unusual for them to be unclear about their job goals and the help available to them. The Jobplan Workshop has been designed, drawing on the lessons of research and best practice in current programmes, to give these people the maximum help to overcome these difficulties and get back to work as quickly as possible.

Aim

To help people who have been unemployed for over twelve months to compete successfully for jobs and opportunities.

Contents

The workshop is delivered by organisations from the private and public sectors working to a design developed by the Employment Service.

The workshop lasts for five days. People attend the main part of the programme for four and a half days, followed by half a day about two weeks later.

The programme helps people establish clear and achievable job goals and establish close links with other provisions so that people know where to go at the end of the workshop. In addition, a written Action Plan, which states the goal and the steps to be taken to achieve it, is provided and experiences during the workshop help to boost individuals' confidence.

Financial resources

In 1996/97 the programme budget is £16.1 million.

Institutional support

Jobplan Workshops are funded by the Employment Service (ES) and are run by external organisations on behalf of the ES.

Duration

Jobplan Workshops were launched in April 1993.

Effects

In 1995/96 over 165,000 people started workshops resulting in over 58,000 starting a job, training or employment programme or other option.

Jobfinder's Grant

Aim

The Jobfinder's Grant aims to encourage people who have been out of work for over two years to take a job, that they would not otherwise have taken, by changing their jobseeking behaviour.

Contents

Eligible people are paid a grant when they start work. This is intended to tide them over until they get their first wage and also to help cover any additional expenses they incur in taking the job.

The grant is £200 in all regions except Yorkshire and Humberside and the South West.

In Yorkshire and Humberside, the amount of grant is discretionary and is only offered to people whom an Adviser believes need this grant to start work.

In the South West, payment varies according to length of client unemployment: £100 at two years plus, £200 at three years plus and £400 at four years plus.

Financial resources

There will be a budget of £35 million available for 1996/97.

Jobmatch

Aim

To help very long-term unemployed to compete more effectively within the labour market by encouraging them to consider a wide range of part-time job opportunities as a stepping stone back to full-time earnings and work.

Legal basis

Employment and Training Act 1973.

Contents

Jobmatch is a pilot scheme operating in four areas of England from April 1995. Jobmatch pays an allowance of £50 per week for 26 weeks to people who have been continuously unemployed for two years or more and who take a part-time job of at least 16, but fewer than 30, hours per week. Those participating aim to build up their earnings and hours of work whilst receiving Jobmatch allowance, for example by finding one or more additional part-time jobs or by finding full-time work. People are also able to claim Training Vouchers worth up to £300 to follow a planned training route. Those still in work six and twelve weeks after the 26-week allowance has finished can claim two additional payments of £50 each.

Financial resources

£5 million in each of the years 1995/96 and 1997/98.

Institutional support

The pilot is funded by the Employment Department, and will be run by the Employment Service (two areas of England) and by two Training and Enterprise Councils.

Duration

The pilots started in April 1995 and will operate until March 1998.

Effects

The pilots offer 3,000 opportunities each year. A full evaluation of the pilots will be undertaken.

Project Work

Introduction

Project Work is designed to overcome the barriers that face the long-term unemployed in rejoining the labour market. This is accomplished by focusing jobsearch activities and increasing the motivation of the long-term unemployed and employers. People who have been unemployed for a long period of time face particular barriers to getting a job. They may lose motivation, the ability to search for work effectively and self-confidence. The benefit system reduces the problems posed by the loss of income, but may lead to dependence on benefit. These barriers reduce demand by employers for their services and reduce their ability to compete effectively for work. These obstacles to the long-term unemployed are evident in the marked reduction in the probability of leaving the unemployment register after two years.

Aim

To increase the number of long-term unemployed people who are able to rejoin the labour market.

Contents

Project Work consists of a period of intensive help of between four and 13 weeks including mandatory caseloading by the Employment Service advisers and access to a range of ES programmes and incentives. If, following this initial period, the participant remains on the unemployment register, they are required to attend 13 weeks of work experience. During this second mandatory period participants are paid an allowance equivalent to their rate of benefit plus £10.

Financial resources

£100 million has been made available for an extension of Project Work from February 1997.

Institutional support

Project Work is funded by the Government through the Department for Education and Employment and the ES. The ES contracts with private-sector and voluntary-sector organisations who arrange or provide work experience and other programme elements, including Jobclubs.

Duration

Two pilots of Project Work were set up in April 1996 in Hull and Medway and Maidstone covering around 8,000 people. Based on encouraging results from these initial pilots, Project Work will be extended from February 1997 to 28 locations covering up to 100,000 people in every region of Great Britain.

Effects

Early results from the initial pilots show that more long-term unemployed people are rejoining the labour market.

European Employment Services (EURES)

Aim

To enhance the possibility of working in another country within the European Economic Area.

Legal basis

Regulation (EEC) No. 1612/68 of 15 October 1968 and Commission decision of 22 October 1993.

Contents

Partnership between the public employment services of 17 countries. To promote free movement of labour, all countries exchange vacancies and provide information on living and working conditions. Co-operation is conducted via a network of 450 Euroadvisers who are linked by an IT network allowing for automatic vacancy exchange and access to the central database on living and working conditions.

Financial resources

The system is supported by the European Commission, which contributed 7.5 million ECU in 1996.

Institutional support

EURES is administered in Great Britain by the Employment Service and by the Training and Employment Agency in Northern Ireland.

Duration

EURES began to be developed in 1992 and was formally launched in November 1994.

Effects

By December 1995 in excess of 5,000 jobs were being advertised on the system.

4. Improving the Quality of the Work Force

- UK-iv.1 National Education and Training Targets
- UK-iv.2 The Competitiveness White Papers
- UK-iv.3 National Vocational Qualifications
- UK-iv.4 General National Vocational Qualifications (GNVQs)
- UK-iv.5 Investors in People
- UK-iv.6 National Training Awards
- UK-iv.7 Education Business Partnerships
- UK-iv.8 Compacts
- UK-iv.9 Teacher Placement
- UK-iv.10 Small Firms Training Loans (SFTL)
- UK-iv.11 Youth Training
- UK-iv.12 Youth Credits
- UK-iv.13 Modern Apprenticeships
- UK-iv.14 Technical and Vocational Education Initiative (TVEI)
- UK-iv.15 Training for Work (TfW)
- UK-iv.16 Career Development Loans (CDLs)
- UK-iv.17 Programme Development Funds
- UK-iv.18 The Single Regeneration Budget (SRB)

UK-iv.1

National Education and Training Targets

Background

The original National Targets for Education and Training were launched by the CBI and other key interests in 1991. They were replaced in 1995 by new, more ambitious Targets. The new National Targets reflect what the UK needs if it is to keep up with its competitors and are supported by Government and a wide range of business, education and training organisations.

The National Council for Education and Training Targets (NACETT), an independent, employer-led organisation, was established in March 1993. NACETT monitors the Targets, advises Government on performance and on policies which influence progress towards the Targets, and promotes employer investment.

Aim

To improve the UK's international competitiveness by raising standards and attainment levels in education and training to world-class levels through ensuring that:

1. All employers invest in employee development to achieve business success.
2. All individuals have access to education and training opportunities, leading to recognised qualifications, which meet their needs and aspirations.
3. All education and training develops self-reliance, flexibility and breadth through fostering competence in core skills.

Foundation Targets

1. By age 19, 85% of young people to achieve 5 GCSEs at grade C or above, an Intermediate GNVQ or an NVQ level II.
2. 75% of young people to achieve level II competence in communication, numeracy and IT by age 19; and 35% to achieve level III competence in these core skills by age 21.
3. By age 21, 60% of young people to achieve 2 GCE A levels, an Advanced GNVQ or an NVQ level III.

Lifetime Learning

1. 60% of the work force to be qualified to NVQ level III, Advanced GNVQ or 2 GCE A level standard.
2. 30% of the work force to have a vocational, professional, management or academic qualification at NVQ level 4 or above.
3. 70% of all organisations employing 200 or more employees, and 35% of those employing 50 or more, to be recognised as Investors in People.

The Competitiveness White Papers

To compete successfully in world markets, the UK and its companies must have a highly skilled, flexible and adaptable work force. The Government is committed to creating the conditions which help to achieve this goal. The third Competitiveness White Paper was published in June 1996 and emphasises the central role that education and training plays in ensuring that the UK has a world-class work force.

The White Paper sets out the Government's aims to further enhance the nation's competitiveness and announces new measures which target key areas of the economy – small firms and young people – and builds on the considerable progress made since the launch of the first Competitiveness White Paper in 1994. Activities include:

- continuing to improve school effectiveness, choice, standards and attainment through a range of measures including: the national curriculum, school performance tables, and improved training for teachers and head teachers;
- establishing literacy and numeracy centres in 27 Local Education Authorities;
- looking further at the 16 to 19-year-olds choice and responsiveness;
- consulting on National Traineeships for young people;
- taking forward a policy framework for lifetime learning; and
- further measures to help long-term unemployed people back into work.

National Vocational Qualifications

Introduction

Since 1986 the UK has embarked on major changes to rationalise its diverse system of vocational qualifications by establishing a comprehensive framework of National Vocational Qualifications (NVQs). The DfEE through its Standards Programme, and the National Council for Vocational Qualifications (NCVQ) and the Scottish Vocational Education Council (SCOTVEC) are working together to develop a comprehensive national framework which locates qualifications according to the occupation and the level of difficulty within it. The framework offers a coherent model for qualifications, outlines levels of achievement, measures ability to do actual modern jobs, allows clear and flexible routes of progression, provides a comparison between different awards, and helps individuals make informed choices.

National Vocational Qualifications (NVQs) and their Scottish equivalents, Scottish Vocational Qualifications (SVQs) are qualifications which more adequately reflect what employers need. They are based on standards of competence agreed with employers and define what a person has to do to be able to perform successfully at work while enabling achievement to be measured. The national framework covers twelve major occupational areas and five levels of achievement, ranging from foundation to higher professional qualifications.

At the end of July 1996, 88.6% of the work force was covered by NVQs/SVQs at levels 1-5, including all the most economically significant occupations. With the NVQ framework now largely in place, the emphasis is moving towards ensuring the quality and rigour of NVQs as well as improving their take-up by employers and individuals. By the end of July 1996 over 1,100,000 awards had been made.

The competence-based approach compares favourably with traditional qualifications, which largely reflected knowledge and classroom learning but not abilities to succeed at work. Qualifications were frequently out of date and incomplete in coverage and generally lacked status with employers and individuals.

Contents

NVQs/SVQs are based on standards developed through employer-led Lead Bodies. Lead Bodies are responsible for identifying the standards of competence for their employment sector and consulting widely to ensure the standards are acceptable to the sector. The standards are packaged by the Lead Bodies into qualifications which meet the requirements of the sector and the criteria set by NCVQ. Awarding Bodies are involved with the assessment, quality assurance and maintenance of standards, and liaise closely with Lead Bodies.

The Scottish Vocational Education Council (SCOTVEC) is the body in Scotland with responsibility for developing SVQs. Under a joint agreement between SCOTVEC and NCVQ, SVQs enjoy equal recognition with NVQs that are available throughout the rest of the UK.

Financial resources

NVQs/SVQs are derived from work done by employers and assisted by the DfEE Standards Programme, which will provide about £17.23 million in the 1996/97 financial year to encourage and help employers establish clear occupational standards of competence across all industry and at all

levels. The Standards Programme contributes advice and funding (up to 50% of the development costs) towards development of standards.

Institutional support

Government, the DfEE, NCVQ and SCOTVEC work closely with Lead Bodies and Awarding Bodies.

Duration

The Government's aim is for NCVQ and SCOTVEC to continue to move towards completion of a UK-wide system of vocational qualifications during 1995/96 and also for all NVQs and SVQs to be in the review process by the end of 1995/96 with the aim of completion by the end of 1997/98.

General National Vocational Qualifications (GNVQs)

Introduction

GNVQs were proposed in the white paper "Education and Training for the 21st Century", published in May 1991. The Secretary for Education and Employment leads on GNVQs, but the DfEE works closely with other departments with an interest (namely the Northern Ireland Office and Welsh Office).

Aim

GNVQs provide a third choice of qualifications, alongside academic subject-orientated qualifications and the occupationally specific NVQs. They are designed to develop the knowledge, understanding and skills needed for work in broad occupational areas.

GNVQs form a bridge between the National Curriculum and the demands of the workplace – as described by National Vocational Qualifications (NVQs). Although GNVQs have many of the features of NVQs, GNVQs provide a broad foundation of skills, knowledge and understanding which underpin a range of occupations. A GNVQ will not signify occupational competence, whereas the award of an NVQ means that the holder performs competently in that occupation.

Contents

There are three levels of GNVQ: Foundation, Intermediate and Advanced. Foundation is comparable to 4 GCSEs at grade D-G or an NVQ I, Intermediate is comparable to four GCSEs at grade A-C or an NVQ II, and Advanced is comparable to two A levels or an NVQ III. GNVQs can also be mixed with other qualifications – for example, GCSEs, NVQ units or units from other GNVQs.

Over 185,000 students were registered in 1995/96 to take GNVQs in over 2,000 schools and colleges. By January 1996, 134,000 students have gained full or part GNVQs: 84,000 students were awarded full GNVQ; 50,000 students have gained units toward full qualifications.

Currently, 253 schools are piloting Part One GNVQs (intended specifically for 14 to 16-year-olds) in Health and Social Care, Manufacturing and Business, Leisure and Tourism, Art and Design and Information Technology.

GNVQs are broadly based, coherent, and academically rigorous. They are awarded by such bodies as BTEC, City and Guilds and RSA. GNVQs will ultimately replace pre-existing qualifications.

Core skills

An important feature of GNVQs is the development of core skills within the learning programme. These skills, which employers emphasise are essential requirements for the workplace, include application of numbers, communication, and use of information technology. These are all mandatory units with specific outcomes to be achieved.

Financial resources

Over the next three years a total of £29 million has been earmarked to support the development of GNVQs. These resources will be used to ensure the high standards of GNVQs and further develop Part One GNVQs.

Institutional support

NCVQ were commissioned to lead the development work – which they do in collaboration with the three GNVQ awarding bodies (BTEC, City and Guilds and RSA) and other interested parties such as professional and employer organisations.

Duration

The key target for GNVQ implementation is that 25% of all 16 to 19-year-olds would be studying GNVQs by the end of 1996. This target has already been met and exceeded. GNVQs are expected to continue in use for the foreseeable future.

Investors in People

Aim

The aim of Investors in People is to improve business performance by encouraging employers to link the training and development of their employees to business objectives.

Developed by business people to benefit all businesses, the Standard recognises that employee development is continuous, running from recruitment through all stages of an individual's working life.

Contents

The Investors in People Standard provides the framework and a benchmark for employers to link training and development of a company's most valuable asset – its people – to business objectives. It is central to the competitiveness of UK industry.

The Investors Standard is built around four key principles:

- a public commitment from the top, to develop all employees to achieve its business goals;
- action taken to train and develop individuals on recruitment and throughout their employment;
- regular review of training and development needs of all employees; and
- evaluation of the outcomes of training and development.

The Investors in People Standard is a world-class Standard and is central to improved business performance by encouraging employers of all sizes and sectors to invest effectively in the skills needed for business creation and growth.

Employers make their commitment to their local TEC/LEC, which in turn offers them support and guidance. Decisions on whether or not an employer meets the Standard are made by TEC/LEC boards on the basis of an assessment conducted by trained and accredited Investors in People assessors.

Investors in People is based on a rigorous Standard, delivered locally through TECs and promoted nationally by Investors in People UK, the business-led body chaired by Sir Brian Wolfson. They were set up to provide:

- national leadership and promotion for Investors in People; and
- responsibility for the maintenance and development of the National Investors Standard.

Financial resources

In 1996/97 the total Employer Investment in People budget is some £50 million.

Duration

The Investors in People Standard was launched in 1991, and is intended to continue for the foreseeable future.

Effects

At 30 June 1996 there were over 23,600 organisations already committed to Investors in People; of these nearly 4,000 have achieved the Standard. Total employee involvement is over 5.6 million, 26% of the UK work force.

Employers who make this investment report real bottom-line business benefits, including marked improvements in productivity and profitability and a greater job satisfaction, growth in export sales, lower rate of sickness and absenteeism, reduced turnover; and, for the people, more job satisfaction, more opportunities to innovate and more commitment.

National Training Awards

Aim

The National Training Awards (NTA) is an annual competition. It aims to encourage investment in training by identifying and publicising examples of exceptionally effective training which have produced tangible business benefits.

Contents

Entries are invited from employers, training providers and individuals from all over the UK. These are checked for eligibility by independent assessors who make recommendations to regional panels. Regional winners are considered by the National Panel. Judges are volunteers drawn from a wide range of business and commerce. Each year there are on average 250 regional winners of which 100 go on to become national winners.

Financial resources

The competition costs the Government approximately £1.4 million per annum.

Institutional support

The competition is delivered by the DfEE with the help of sponsors and volunteers from the private sector.

Duration

The first competition was run in 1987. It is envisaged that the scheme will continue in the foreseeable future.

Effects

The competition has attracted over 11,000 entries in all (some entrants, e.g., large companies, enter every year) and has yielded over 1,400 regional and national winners. Information about these winners and the examples of good practice in training which won them the award have been widely disseminated. Case-study material is used by intermediaries (e.g., Industry Training Organisations) and winners speak at workshops and conferences. Media coverage of award ceremonies also publicise the winners and their training.

Education Business Partnerships

Aim

Education Business Partnerships (EBPs) aim to provide a focus for education-business links and bring coherence and co-ordination to local activities. They aim to contribute nationally and locally towards raising young people's achievement, the National Targets for Education and Training, economic regeneration and development.

Financial resources

Core funding for Education Business Partnerships came to an end on 31 March 1995, however a number of EBPs are continuing to operate using SRB, TEC and other resources.

Duration

It is hoped that a number of EBPs will continue to operate. A national EBP network has been established, with DfEE support, to promote and stimulate the work of EBPs throughout England, Wales and Northern Ireland in raising awareness of, and developing coherence in education business partnership activity. The network will share and disseminate good practice amongst EBPs and provide a focal point for communication, debate and action.

Compacts

Aim

Compacts aim to raise the attainment of young people at school and their participation in Further Education. Employers and training providers are involved in offering employment-related incentives in return for young people working to locally agreed goals.

Institutional support

Compacts have been successful in levering in private-sector support.

Duration

For those Compacts which have finished their core funding, it is hoped that successful Compact activities will continue to be integrated and supported within schools through TECs, SRB and other sources.

Effects

In March 1996 there were 50 inner-city Compacts and a further 53 Compacts in non-urban areas; from April 1996 Government funding, from the Single Regeneration Budget, finished for all inner-city Compacts and 17 non-urban ones.

Teacher Placement

Aim

The Government has set Training and Enterprise Councils (TECs) the target of placing 10% of teachers into business each year.

Institutional support

Teacher placements are funded from committed Single Regeneration Budget (SRB) money channelled through TECs on the basis of the number of teachers in each TEC. The Teacher Placement Service (TPS) funded by the SRB provides national support. TPS is part of Understanding British Industry, a project sponsored by the CBI's Education Foundation.

Duration

Encouragement is being given to embed these activities within School Development and company business plans. TECs and other partners will aim to sustain activities such as teacher placements in order to raise standards in their own localities.

Effects

Placements enable teachers to update their subject specific knowledge, to bring the world of work to the curriculum and to offer enhanced careers education and guidance. Over 200,000 placements have taken place since Government funding began in 1989.

Small Firms Training Loans (SFTL)

Aim

To encourage the training of more individuals within the small firms sector, to help them increase productivity and growth through employment and to help pay for training by making loans available.

Legal basis

Employment Act 1988.

Contents

Deferred repayment loans are made available to firms with up to 50 employees to help meet training costs and the costs of consultancy to assist firms in the drawing up of training plans. Firms can borrow between £500 and £125,000, and loans can cover up to 90% of course fees plus the costs of books, materials and other training-related expenses (loans are subject to a £10,000 maximum per trainee and a £5,000 average per trainee for training costs). The Department for Education and Employment pays the interest on the loan for up to twelve months depending on the loan amount. At the end of this time the borrower repays the loan and any further interest to the bank concerned over a period of between one and seven years, negotiable with the bank.

Courses must be linked to the firm's business plan and can be full-time, part-time, distance learning or in-house training. Accreditation of Prior Learning is also supported. Applications must be endorsed by a Training and Enterprise Council or Local Enterprise Company (in Scotland) before being submitted to a bank if the loan is over £15,000 and the firm is applying to a bank other than a bank that holds their main business accounts.

Institutional support and financial resources

SFTLs are administered by six commercial banks in partnership with the Department for Education and Employment.

Duration

It is envisaged that the scheme will continue into the foreseeable future.

Youth Training

Aim

To provide broad-based vocational education and training for young people (mainly 16 and 17-year-olds) leading to nationally recognised vocational qualifications. To supply better qualified young entrants to the labour market.

Legal basis

Employment and Training Act 1973.

Contents

Youth Training (YT), along with Modern Apprenticeships, is the primary training vehicle for young people. Though YT is primarily aimed at 16 and 17-year-olds, young people up to the age of 25 may be considered for training. The length of training varies depending on the needs and ability of the individual, and is usually of around 2 years' duration. Training must not proceed beyond the trainee's 25th birthday. YT provides the opportunity to gain nationally recognised qualifications of at least National Vocational Qualification (NVQ) level II or equivalent. All 16 and 17-year-olds who are not in full-time education or employment and who seek training are guaranteed the offer of a suitable training place. This guarantee is extended to those over 18 whose entry to training has been delayed due to disability, language difficulty, ill health, pregnancy, custodial sentence, remand in custody or as a result of a care order.

Financial resources

The Government plans to spend £765 million on YT and Modern Apprenticeships (excluding Careers Guidance) in England in 1996/97.

Institutional support

YT in England is supported by the Department for Education and Employment. Arrangements in Scotland and Wales are the responsibility of the respective territorial Secretaries of State. Training and Enterprise Councils (TECs) in England and Wales and Local Enterprise Companies (LECs) in Scotland are responsible for delivery of YT through their respective networks of training providers.

Duration

Youth Training was launched on 29 April 1990, replacing the Youth Training Scheme (YTS) as the main vocational training route for young people. A recent review of the qualifications framework for 16 to 19-year-olds has recommended new options for young people. Those who are capable of achieving an NVQ level II will go into National Traineeships, structured on similar lines to Modern Apprenticeships, and with greater involvement by employers in the design and delivery of training. There will be the opportunity to progress into Modern Apprenticeships for those who demonstrate the capability of achieving NVQ level III.

Those assessed as not ready for an NVQ will be offered extra help at the outset under the proposed new National Entry arrangements through, for example, the provision as appropriate of

assessment, guidance, counselling, careers information, basic training and work experience. National Entry arrangements will lead to further education, training in a National Traineeship or Modern Apprenticeship, or a job.

Effects

Over 4.6 million young people have been trained since 1983. As at March 1996 there were 259,900 young people training in Great Britain. The latest figures show that 82% of young people completing YT (73% of all Leavers) in England and Wales go into jobs, full-time education or other Government training. 75% of those completing training gained a qualification or credit towards one (54% of all Leavers).

Youth Credits

Aim

The main purpose of Youth Credits is to encourage and motivate more young people to enter training and secure more and higher levels of skills and qualifications. Credits are aimed mainly at young people leaving full-time education at age 16 to 17, who are able to make better and more informed choices on the basis of improved careers advice and guidance.

Contents

In England, the Youth Credit is the mechanism which enables young people leaving school or college mainly at age 16 to 17 to access Modern Apprenticeships and Youth Training. Each credit has a financial value and can be presented to an employer or training provider in exchange for training. Youth Credits take different forms in different areas – most are plastic cards – and have local brand names. Youth Credits are offering young people more individual choice, more flexibility and a greater sense of personal responsibility when buying training.

Institutional support

Youth Credits in England are delivered by Training and Enterprise Councils (TECs). All TECs in England have been offering Youth Credits since April 1995. Equivalent credits arrangements in Wales and Scotland are the responsibility of the respective territorial Secretaries of State. Credits are delivered by TECs in Wales and by Local Enterprise Companies (LECs) in Scotland.

Duration

The initiative was introduced in stages: Youth Credits pilots began in 1991; arrangements were extended progressively until all English TECs offered credits from April 1995.

The Competitiveness White Paper "Creating the Enterprise Centre of Europe" (June 1996) announced the Government's attraction to the idea of bringing together, into a single guaranteed entitlement to learning, arrangements for work-based training currently accessed by Youth Credits, and other further education of young people by issuing all young people with a Credit at the age of 16. The Government is consulting on this issue during 1996 as a key part of its wider vision for reform, with a view to the phased introduction of Credits from 1997.

Modern Apprenticeships

Aim

To provide participants with training leading to NVQs level III or above and with the broad-based skills necessary to become flexible and self-reliant employees; and to meet the skill needs of the local and national economy, including, in particular, the need for technician and craft-level skills.

Legal basis

Employment and Training Act 1973.

Contents

Modern Apprenticeships provide high-level vocational education and training for young people. Modern Apprentices will mainly be 16 to 19 years old, although young people up to the age of 25 may be considered.

The key features are:

- training to national employer-led standards set by the NVQ framework;
- an apprenticeship training agreement signed by the young person, the employer and the TEC demonstrating their mutual commitment to seeing the training through;
- equally open to all young people, to small and large businesses and in sectors where there has been no apprenticeship tradition;
- education and training choices based on better and earlier careers guidance; and
- access through Youth Credits.

Most Modern Apprentices have employed status.

Financial resources

The Government plans to spend £765 million in 1996/97 on Youth Training and Modern Apprenticeships.

Institutional support

The initiative is co-funded by the Department for Education and Employment. TECs in England are responsible for the delivery of Modern Apprenticeships through their network of training providers. Employers and Industry Training Organisations, working with TECs, are responsible for the design of the training frameworks.

Duration

Modern Apprenticeships were launched nationally in 1995. A number of prototypes had already been in operation since Autumn 1994.

Effects

At the end of June 1996, over 33,000 young people had started a Modern Apprenticeship, and training frameworks were available in 57 sectors of business and industry. If employers and young people continue to come forward, it is expected that 60-65,000 young people will be completing a Modern Apprenticeship by the turn of the century.

Technical and Vocational Education Initiative (TVEI)

Aim

The Technical and Vocational Education Initiative (TVEI) helps to equip young people aged 14 to 19 (14 to 18 in Scotland) in full-time education with the knowledge and skills to succeed in adult and working life.

Contents

TVEI's priorities over the next few years will include:

- helping schools and colleges to contribute to the National Targets for Education and Training (NTETs); in Scotland there are now separate targets entitled 'Education and Training Targets for a Competitive Scotland';
- addressing individual needs and raising attainment;
- developing clear vocational routes and pathways;
- embedding best practice identified through TVEI in the work of every school.

Financial resources

The Government has made available more than £900 million over ten years, 1987 to 1997, to extend the initiative to all maintained schools (including Grant Maintained schools) and colleges in Great Britain. Funds announced in the Competitiveness White Paper continue to be used to embed the lessons of TVEI.

TVEI also helps young people with special educational needs.

Institutional support

All education authorities are, or have been, directly funded by the programme. The Scottish Office and Welsh Office are responsible for the programme in England, Scotland and Wales.

Duration

The national programme began in 1987 and will end in 1997. Individual Local Education Authority programmes will operate within that time scale.

Training for Work (TfW)

Aim

The aim of Training for Work is to help unemployed people to get jobs through training and work experience.

Legal basis

Employment and Training Act 1973, Employment Act 1988.

Contents

The programme is managed by TECs in England and Wales and LECs in Scotland. They are allowed flexibilities to make TfW responsive to the needs of individuals and the local labour market. All applicants are assessed on or before entry to TfW. They agree on an individual training plan which specifies the planned training provision and contains a statement of the trainee's employment or career objectives and target outcomes. The duration of any TfW and its content will vary according to the needs of the individual. Trainees can be trained on the premises of training providers, enjoy employed status or experience work through employer placements, or combinations of the above. There is no guideline on the balance between training and work-experience activity; this is dictated by individuals' Training Plans.

Pre-Vocational Pilots have been introduced in England this year, as part of TfW. The aim of the Pilots is to see whether there are ways of providing training in the underlying skill needs that unemployed people must have in order to benefit from vocational training or to compete in the labour market. Pilots have been delivered by 57 TECs, with some 10,000 starts planned in 1996/97. The budget for the Pilots is £23 million.

Financial resources

The Government is investing £486 million in 1996/97.

Institutional support

The programme is funded by the DfEE, the Scottish Office and the Welsh Office via TECs and LECs.

Duration

Training for Work was launched in March 1993 and is expected to continue for the foreseeable future.

Effects

Over 900,000 people have been trained since TfW began in March 1993. In April 1996 86,300 were training in the UK. 39% of all those who leave TfW go into job/self-employment, with a further 6% moving into full-time education or training. Most recent figures show that 52% of all leavers successfully obtain a qualification or a credit towards one.

Career Development Loans (CDLs)

Aim

To encourage and allow more vocational training to take place and to encourage individuals to take more responsibility for their own training and development.

Legal basis

Employment Act 1988.

Contents

Individuals aged 18 or over who live or intend to train in Great Britain can apply for a loan between £200 and £8,000, to cover up to 80% of fees plus other expenses, for courses lasting up to two years, plus (if relevant) up to one year's practical work experience where it forms part of the course. Training may be full-time, part-time, or use open or distance learning. The Department for Education and Employment pays the interest on the loan for the period of training and for one month afterwards. The borrower then repays the loan and any further interest to the bank concerned. If one month after completing training the trainee is registered unemployed and claiming benefit, i.e. Unemployment Benefit (Jobseeker's Allowance from 7 October 1996), Income Support or National Insurance Credits, they may apply to the bank to defer repayments for up to a further five months.

People who have been out of work for three months or longer may apply for 100% of course fees but their application form must be endorsed by their local TEC or LEC. Endorsement is also required where an applicant's employer is paying any part of a wage while the individual is on a full-time course or contributing towards course fees.

Institutional support and financial resources

CDLs are administered on behalf of the Department for Education and Employment by four commercial banks. Over the next three years (1996 to 1999), opportunities exist for some 60,000 people to take out a CDL.

Duration

The agreements with banks, which run for three years, will be renewed from April 1998.

Programme Development Funds*Aim*

To enable sums of money to be allocated in Scotland and Wales at a local level to fund innovative projects which help particularly disadvantaged people to take up jobs, training or self-employment.

Contents

Money is allocated to Employment Service (ES) Directors for Scotland and Wales to fund locally devised and innovative projects in areas of deprivation that help the most disadvantaged clients take up work, training or self-employment.

Financial resources

Programme costs for 1996/97 will be approximately £1.10 million.

Duration

Began in 1989 and will continue for the foreseeable future.

The Single Regeneration Budget (SRB)

The Single Regeneration Budget is part of a package of measures to make Government more responsive to local needs and priorities. It is a fund of public money which will help to improve local areas and enhance the quality of life of local people by tackling need, stimulating wealth creation and improving competitiveness. The SRB supports projects designed to:

- enhance the employment prospects, education and skills of local people, particularly the young and those at a disadvantage, and promote equality of opportunity;
- encourage sustainable economic growth and wealth creation by improving the competitiveness of the local economy, including business support;
- improve housing through physical improvements, greater choice and better management and maintenance;
- promote initiatives of benefit to ethnic minorities;
- tackle crime and improve community safety;
- protect and improve the environment and infrastructure and promote good design;
- enhance the quality of life of local people, including their health and cultural and sports opportunities.

The SRB is administered by Government Offices for the Regions on behalf of the Department of the Environment and brings together 20 previous spending programmes including eight Department for Education and Employment programmes:

- Business Start-up Compacts;
- Education Business Partnerships;
- Teacher Placement Services;
- TEC Challenge;
- TEC Local Initiative Fund;
- Employment Service Programme;
- Development Fund; and
- Raising Standards in Inner City Schools.

The SRB operates on an annual competition basis in all the English regions. There have been two bidding rounds to date (in 1994/95 and 1995/96). A third round is currently under way (for 1996/97) and the Government plans one further round (for 1997/98). Over their life time, projects from the first two rounds of the SRB will:

- create/safeguard 500,000 jobs;
- provide training to a recognised qualification for 460,000 people;
- support 75,000 new business starts;
- benefit over 2.75 million pupils; and
- fund 21,000 child-care places.

5. Equal Opportunities

- UK-v.1 Equal Opportunities in Employment Service Operations
- UK-v.2 Equal Opportunities in TEC/LEC Activities
- UK-v.3 The Race Relations Employment Advisory Group
- UK-v.4 The Race Relations Employment Advisory Service (RREAS)
- UK-v.5 People with Disabilities

Equal Opportunities in Employment Service Operations

The Employment Service (ES) is firmly committed to applying the principle of equal opportunities in its programmes and services. A statement to this effect is to be found on all its publicity materials.

In operational terms this means the ES is not only concerned to ensure current legislation is observed by its staff and anyone who wishes to use the services available, but also that it is seen to promote equal opportunities ethics as "best practice". When implementing this policy, the ES aims to provide programmes of benefit to all those eligible and target provisions to those with the greatest need.

The ES serves people through its network of Jobcentres. These are open to all jobseekers regardless of their gender, colour, race, or ethnic or national origins. All staff are made fully aware of the need to ensure this through written instruction and staff training.

The ES both as an employer and as an employment agency is bound by the provisions of the Race Relations Act (RRA) and Sex Discrimination Act (SDA) (see Chapter II, 1.2 for specific details of this legislation).

Employers using ES services are similarly bound by the provisions of these Acts. ES staff will challenge any unlawful restrictions associated with vacancies being notified to Jobcentres.

ES recognises the need for clients with ethnic-minority and regional languages to have access to information about programmes and services. ES publicity leaflets are printed in English and Welsh with multi-lingual versions in seven languages.

An equal opportunities proofing *aide memoire* and checklist has been issued for use by policy makers in the formulation of ES programmes. It is designed to ensure fairness for jobseekers who are at a disadvantage in the UK labour market.

Equal Opportunities in TEC/LEC Activities

Training and Enterprise Councils (TECs) and Local Enterprise Companies (LECs), which are responsible for the local delivery of training and enterprise programmes, play a major role in implementing this policy.

Each TEC/LEC is contractually required to:

- agree, and ensure its providers and their contractors agree, to promote equal opportunities for all activities funded under the agreement and to comply with all statutory duties;
- implement its strategy for equal opportunities as agreed with the Secretaries of State; and
- ensure that any allegations of discrimination made against it are properly investigated and appropriate action taken. The TEC/LEC shall notify the relevant Secretary of State immediately of any such case which is referred to an industrial tribunal and of the tribunal's decisions.

Since their introduction, TECs/LECs have carried out a range of activities to promote equal opportunities. These have included:

- setting up advisory groups with representatives from local organisations, including ethnic minority groups, women's groups and other voluntary organisations, to advise the TEC/LEC Board;
- commissioning research into, and making local provision for, the special needs of those at a disadvantage in the labour market, including positive action training, language training and child-care provision; and
- encouraging local employers to become an 'Investor in People' (an initiative which recognises employers who develop all their staff throughout their career within the organisation).

UK-v.3

The Race Relations Employment Advisory Group

This group advises DfEE Ministers on matters relating to the employment of members of the ethnic minorities. The Group is chaired by the Parliamentary Under Secretary of State for Education and Employment, who has ministerial responsibility for race relations in employment. Membership includes the Chairman of the Commission for Racial Equality and members of the Confederation of British Industry, Trade Union Congress and the Institute of Personal Development. There are also a number of places for individual members, appointed for their experience and expertise in matters relating to ethnic-minority employment issues. Members are appointed for periods of three years.

The Race Relations Employment Advisory Service (RREAS)

The DfEE's RREAS has 16 Advisers who offer a free specialist consultancy service to employers and others. RREAS provides confidential advice and guidance to employers on the development and implementation of policies which help to ensure equal opportunities, irrespective of race, colour, nationality or ethnic or national origin. Advisers seek to bring about changes in employers' attitudes, policies and practices. They also give advice on the Race Relations Act 1976 and the Commission for Racial Equality's Code of Practice in Employment. They advise employers interested in using the positive action provisions of the Act.

People with Disabilities

The Department's key aim in its policies on the employment and training of people with disabilities is to release individual potential and initiative. In providing a service for people with disabilities, DfEE aims to enable each individual to progress as far and as fast as his/her talents and capabilities allow.

Employment services for people with disabilities

Placing Assessment and Counselling Teams (PACTs) have a major role in working with employers to promote the recruitment, training and retention of disabled people.

PACT members known as Disability Employment Advisers (DEAs) are based in Jobcentres. They help disabled people to obtain and retain employment; arrange for employment assessment and employment rehabilitation where appropriate; and provide access to the Employment Service's Access to Work and Supported Employment Programmes. DEAs help employers by offering professional advice and support to help improve the job prospects of unemployed people with disabilities and those in employment.

PACTs are supported by the Regional Disability Service in providing technical advice to employers on employing disabled people and in identifying suitable equipment to meet the needs of individuals in work, work preparation or vocational training.

The Employment Service's Access to Work Programme provides practical help for disabled people and their employers. For example, the programme can help with visual impairment by providing a scanner to read documents, or a support worker to help with aspects of a job that present difficulties because of a disability. Other forms of help such as adaptations to premises and travel to work are also available. Access to Work provision in 1995/96 was £19 million.

The Employment Service's Supported Employment Programme (SEP) provides meaningful employment opportunities for people with severe disabilities who are unable to obtain or retain work in open employment. Opportunities are provided in Supported Placements (SPS), workshops and within Remploy factories and Remploy Interwork (the company's own version of SPS). Placements and workshops are administered by local authorities and voluntary bodies. Remploy Limited is a private company limited by guarantee which receives subvention from Government.

The Disability Symbol

The Disability Symbol initiative was introduced by the Employment Service in 1990. It gives employers a simple and effective means of showing they are committed to good policies and practices in the employment of people with disabilities. In 1992, the symbol was strengthened by the introduction of five commitments which employers using the symbol agree to meet. The commitments are as follows:

- to interview all applicants with a disability who meet the minimum criteria for a job vacancy and consider them on their abilities;
- to ask their disabled employees at least once a year what they can do to make sure they can develop and use their abilities at work;

- to make every effort when employees become disabled to make sure they stay in employment;
- to take action to ensure that key employees develop the awareness of disability needed to make the commitments work;
- each year, to review these commitments and what has been achieved, plan ways to improve on them and let all employees know about progress and future plans.

At the end of June 1996 there were over 2,500 symbol-using employers.

Training for people with disabilities

Training is available for people with disabilities through mainstream Youth Training and Training for Work programmes. Mainstream provision is delivered locally by Training and Enterprise Councils (TECs) to trainees who are considered to benefit from integrated provision. This applies to the majority of trainees, most of whom need no additional resource. Residential Training for Work, which is funded centrally by the DfEE, is available to around 960 trainees each year. This provision is designed for trainees with severe disabilities and is available through 16 residential colleges. People with disabilities do not have to satisfy the requirement to be unemployed for six months prior to joining Training for Work. In addition, people with disabilities have priority for training places for which they are suitable.

Recent developments

The most recent development in the disability field is the enactment of the Disability Discrimination Act (DDA) 1995, which provides new rights for disabled people in the areas of employment; education; public transport; access to goods, facilities and services, and the sale and letting of land and property. Section 1.2.1 in Chapter II on legislation relating to equal opportunities provides further information on the DDA.

6. Miscellaneous

UK-vi.1 DfEE Initiatives in Central and Eastern Europe

DfEE Initiatives in Central and Eastern Europe

In December 1989 Employment Ministers decided that the then Employment Department Group should provide assistance to countries in Eastern Europe, in line with the Government's commitment to helping Eastern European countries move towards democracy and a free-market economy. They felt that the Department's experience of labour market restructuring would form the basis of a practical and positive contribution. The majority of the work is delivered through the Government's Know How Fund. Increasingly, however, the World Bank and the EC have become involved in financing certain projects.

Officials from the ED Group went to Czechoslovakia, Poland and Hungary in the first half of 1990 to draw up plans for practical assistance programs, and the Secretary of State for Employment then signed Joint Statements of co-operation in the labour market area with his counterparts in each of the three countries. These committed the Department to action in the key areas of: development of employment services; training; and in the case of Poland and Czechoslovakia, health and safety at work.

Know How Funds were established for the former Soviet Union, Bulgaria and Romania during the course of 1991. The Employment Department was then asked to extend its assistance strategy in the area of employment services development for all three countries and, for the former Soviet Union and Bulgaria, small firms/enterprise development. DfEE assistance programmes are now active or in development in Poland, Hungary, Czech Republic, Slovakia, Bulgaria, Romania, Russia, Armenia, the Baltic States and Slovenia. The Know How Fund is reviewing their overall strategy in the Ukraine and no further work is anticipated in the labour market sector until the review is complete.

The assistance programmes concentrate on practical projects that can be replicated on a national scale by the recipient countries. Examples of projects include: setting up model employment offices; secondments of ED staff to Labour Ministries and local employment offices to advise on the practical application of office procedures and management; training staff and trainers in counselling, customer care, marketing of employment services, labour market information gathering and interpretation, and open and distance learning techniques. For Russia, a major enterprise training initiative was launched in 1994, in co-operation with the Foreign and Commonwealth Office, to introduce vocational training skills for a market economy. The second wave of work under the DTI is about to begin, and focuses on training of trainers in business subjects. The focus of work in central Europe is now turning to questions arising out of these countries' potential membership of the EU.

CHAPTER IV RESEARCH AND EVALUATION

1. Research and Evaluation in DfEE

The Department's research carried out in the context of Government requirements and policies is largely delivered through the Department's Social Analysis and Research Division (SAR). The division exists primarily to provide a service to those responsible for the development of policy on education and employment related matters. It develops and carries out research into schools, education, labour markets, industrial relations, training, employment practices and other issues relevant to the Department's policy responsibilities. The division provides analysis and advice based on work on these areas.

The division's staff is drawn from a variety of professional disciplines, including social science, economics, psychology and statistics.

A considerable amount of research is contracted out to academic researchers, independent research and survey organisations and consultants who have relevant experience of the respective topic areas covered.

The Employment Service's Research and Evaluation Branch also commissions and carries out internal research designed to inform the evaluation and development of the Employment Service's programmes and activities.

One of the Advisory, Conciliation and Arbitration Service's aims is to help improve organisational effectiveness. It thus provides information on work-related topics – job design, work structures, effects of new technology, shift work patterns, management of change, job satisfaction, quality of working life and participative planning.

Research which is carried out by or for the Department for Education and Employment is widely published or reported as a matter of policy. The main source of publicity for employment related issues is through articles in the Employment Gazette and the Department's research paper series which is published by Her Majesty's Stationery Office (HMSO). Research papers are available on request from HMSO. In addition, some researchers, with the permission of the Department, publish their findings in books or academic journals.

2. Other Research used by DfEE

The Office of Population Censuses and Surveys (OPCS) carries out a certain amount of work for the Department for Education and Employment. This work consists mainly of carrying out surveys of samples of the labour market, either on an ad hoc or regular basis; for example, the Labour Force Survey (LFS) and the General Household Survey (GHS).

The Government-supported Economic and Social Research Council (ESRC) is also responsible for supporting research on labour market and employment-related topics. The ESRC supports a number of designated research centres and units, including the Industrial Relations Research Unit at the University of Warwick.

The ESRC also funds employment-related research by developing research programmes in particular areas and by making grants to individual researchers who have submitted proposals that the ESRC considers important to support.

In addition to the main institutional framework outlined above, a certain amount of privately funded research on employment and labour market topics is carried out by academics, research associations and consultants. The Government is able to draw on the published results of such research where appropriate.

CHAPTER V NORTHERN IRELAND

1. Institutions and Systems

1.1 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 1990 Employment Act. The main differences between the Northern Ireland legislation and that applying in Great Britain 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 and that Northern Ireland does not have an Employment Appeal Tribunal.

1.2 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 the 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.

1.3 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.

1.4 Fair Employment Commission (FEC)

The Fair Employment Commission was established in 1989 to promote equality of opportunity in Northern Ireland and work for the elimination of discrimination on the grounds of religious belief or political opinion. The Commission has a staff of approximately 80 and is unique to Northern Ireland.

1.5 Health and safety at work

Northern Ireland law on health and safety at work is broadly similar to that of Great Britain. The main legal provisions are contained in the Health and Safety at Work (Northern Ireland) Order 1978 ("the 1978 Order"), which generally mirrors the Great Britain Health and Safety at Work etc. Act 1974 ("the 1974 Act"). The 1978 Order is supplemented by health and safety Regulations made under the Order, which are closely based on Great Britain Regulations made under the 1974 Act.

1.6 Enforcement, etc. of law on health and safety at work

Northern Ireland has no direct equivalent to the Health and Safety Executive. Northern Ireland Health and Safety Law is enforced by the Department of Economic Development, the Department of Agriculture and District Councils.

The development of policy and allied matters relating to health and safety at work is also the responsibility of Government Departments, chiefly the Department of Economic Development and the Department of Agriculture.

1.7 Health and Safety Agency for Northern Ireland

The Health and Safety Agency for Northern Ireland is an independent body set up under the 1978 Order. It assesses the likely impact of proposed legislation which deals with work-related risks to health and safety and, if necessary, it will make recommendations to the Government Department which is proposing the legislation. It provides an information and advice service to employers, employees and organisations representing these groups. As part of this service, it will issue codes of practice or may approve codes prepared by others.

The Agency makes recommendations as appropriate to Government Departments on enforcement policies, special investigations and enquiries; these recommendations may include calling for legislation. It carries out or commissions research and encourages the provision of training.

The Agency's functions are broadly similar to the advisory functions of the Health and Safety Commission. Like the Commission, the Agency has a Board with a part-time Chairman and nine Members, who represent the two sides of industry, local government and other interests, appointed by the Department of Economic Development. It has seven full-time and one part-time staff who are civil servants from the Department of Economic Development.

2. Training and Employment Services in Northern Ireland

2.1 Introduction

In 1990, the Training and Employment Agency was established as an executive agency, responsible for vocational, public training and employment matters in Northern Ireland. The Agency aims to assist economic development and help people to find work, through training and employment services delivered on the basis of equality of opportunity.

2.2 Company development

The Agency is working with industry both at company and sector levels to encourage it to take a strategic approach to improve its competitive position. In this area it has been moving forward in co-operation with the other Northern Ireland industrial development organisations. The Agency's Client Executives promote the benefits of training in industry through the Company Development Programme which offers financial support for training the whole work force within companies. However, the emphasis is on extending management development across the whole organisation and linking the objectives of management teams to corporate strategy, visions and goals, systems and management culture.

2.3 Manager development

The Agency provides a range of programmes, several with an international perspective, aimed at both existing managers and future managers from among graduates. The programmes for existing managers develop key managerial skills and behaviours. The emphasis is on leading-edge international best practice relevant to senior and middle managers and managers in small businesses. The programmes for future managers offer a range of high-quality development opportunities for individuals with good management potential to help them gain the knowledge, skills, and experience that will enable them to make a valuable contribution to businesses in Northern Ireland.

2.4 Development of individuals

The Training and Employment Agency has a network of 31 local offices providing job broking services, careers guidance, access to Jobclubs and training including the Jobskills programme.

3. Measures Helping People Back to Work

3.1 Action for Community Employment (ACE) Programme

Aim

ACE provides temporary employment with training of up to one year's duration for long-term unemployed adults in a wide range of projects of community benefit. Its structured training enables them to compete more effectively for available jobs when they leave the programme.

Legal basis

Employment and Training Act (NI) 1950 as amended by the Employment and Training (Amendment) (Northern Ireland) Order 1988.

Contents

Structured training has been introduced and ensures that an average of 20% of participants' time on the ACE Programme will be spent on training directed towards improving their confidence, competence and employment potential. Managers of ACE projects, charged with the delivery of this training, have themselves undergone a training programme which has been recognised with a major award in the 1991 National Training Awards competition.

Financial resources

1995/96 expenditure was £49.912 million.

Institutional support

Programme administered by the Regional Operations and Programme Development and Support Divisions of the Training and Employment Agency.

Effects

In 1995/96 the average number of filled places was 9,189. According to surveys carried out in 1995, approximately 4,190 of those who actively participated in the programme moved into employment, full-time training or education within three months of leaving the programme.

3.2 Enterprise Ulster

Aim

Enterprise Ulster is a Public Corporation financed primarily from Government Funds. It was established in 1973 as a Job Creation Agency to provide work opportunities for long-term unemployed adults in projects of an environmental, cultural, amenity, community and social nature. Since April 1989, its main role has been to provide vocational training to the long-term unemployed through practical work experience and directed training on and off the job.

Legal basis

Enterprise Ulster (Northern Ireland) Order 1973; Industrial Training (Northern Ireland) Order 1990.

Contents

People who have been unemployed for three months may apply and the periods of training last from six to twelve months. Trainees are paid on a "benefit plus" basis and can earn a bonus on the successful completion of their course. With the support of a core work force and placements with providers in Public Authorities and voluntary bodies, training can be offered in a wide range of activities.

Financial resources

1995/96 Expenditure was £7.51 million.

Institutional support

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

The Corporation is funded by the Training and Employment Agency on behalf of the Department of Economic Development.

Effects

Between 1 April 1995 and 31 March 1996 Enterprise Ulster maintained 1,382 filled training places. Of the 1,469 trainees who left the programme during the course of the year, 428 (27%) found employment or entered full-time education.

3.3 Community Work Programme (CWP) Pilot

Aim

CWP provides opportunities, of up to three years, for long-term unemployed adults to use and develop their skills on projects that benefit the community.

Legal basis

Employment and Training Act (Northern Ireland) 1950 as amended by the Employment and Training (Amendment) (Northern Ireland) Order 1988 and the Community Work Programme (Miscellaneous Provisions) Order (Northern Ireland) 1996.

Contents

A total of 1,000 places are available in the pilot phase, which is operating in three areas: West Belfast and Fermanagh and Strabane District Council areas. The programme aims to enable the long-term unemployed to use and develop their skills through work activity and complementary training in locally identified projects. The programme also aims to empower local communities to take effective action through community-based projects to address local needs. The pilot evaluation is to be completed by March 1997.

Financial resources

The budget for 1996/97 is £5.8 million.

Institutional support

The programme is administered by the Training and Employment Agency.

Effects

At the end of March 1996 there were 153 providers, 1,077 places and 554 participants.

4. Training Measures

4.1 Company Development Programme

Aim

To encourage Northern Ireland companies to improve their international competitiveness through training and development of their work force in line with their business objectives.

Legal basis

Employment and Training Act (Northern Ireland) 1950 as amended by the Employment and Training (Amendment) (NI) Order 1988.

Contents

Practical and financial assistance is offered to companies to develop a structured company development plan which addresses training and development needs particularly at management and organisational levels, and to meet those needs in a professional and structured way. Training and development programmes must be linked to a company's key business objectives.

Financial resources

1995/96 estimated expenditure was £18 million.

Institutional support

Administered by the Business Support Division of the Training and Employment Agency.

Duration

Dependent upon evaluation, including the needs of companies.

Effects

As at 31 March 1996, 360 companies were participating in the Programme.

4.2 Jobskills

Aim

The Programme seeks to raise the quality of training available for young people entering the labour market and for unemployed adults by increasing the levels of skill and competence of trainees through the attainment of National Vocational Qualifications (NVQs).

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

All trainees will receive independent and comprehensive pre-entry Guidance Counselling and Assessment leading to the development of a Personal Career Plan (PCP). A Training Credit System will allow trainees to choose the training organisation most suitable for their needs. 16 and 17-year-olds will receive a training allowance of £29.50 or £35.00 per week and over 18s will receive a benefit-based training allowance including a training premium of £10.00 per week. Bonuses will be paid to trainees who achieve the NVQ targeted in their PCP. The Programme is delivered for the Training and Employment Agency by a network of independent Training Organisations who are funded on the basis of a fixed grant for each trainee. 30% of the total funding available is Output-Related and paid only on the attainment by the trainee of the targeted NVQ.

Financial resources

A budget of £73 million has been allocated for 1996/97.

Institutional support

The Programme is administered by the Training and Employment Agency.

Effects

The new programme was introduced on 3 April 1995 and replaces the Youth Training Programme, the Job Training Programme and the Skills Training Scheme.

4.3 Training Centres

Aim

To operate a training service which makes companies more competitive and produces individuals with the skills and qualifications to gain employment.

Legal basis

Employment and Training Act (Northern Ireland) 1950.

Contents

The ten Training Centres in Northern Ireland provide high-quality off-the-job training for adults and young people, mainly in the engineering, construction and road transport industries (including new technology). From April 1995, most new entrants to Training Centres will be within the Jobskills Programme.

Companies may sponsor their own employees on any of courses available in the Training Centres, or arrange with a Centre for the provision of customised training.

Financial resources

1996/1997 total estimated expenditure is £8.4 million.

Institutional support

Administered by the Training and Employment Agency.

Duration

Under the Jobskills Programme, most courses will last up to three years for apprentice training (National Vocational Qualification Level III), the first year of which will be off-the-job in a Training Centre.

Effects

In 1995/96, there was an average of 1,665 trainees in off-the-job training in Training Centres. 88% of trainees for whom it was possible achieved an NVQ Level II in their first year and a further 72% of NVQ II achievers remained in training towards NVQ III.

4.4 Manager Development Programmes

Aim

To assist Northern Ireland companies in tackling their management development needs and thereby improve business performance, and to provide industry with a pool of trained potential managers to draw upon.

Contents

There are currently some 21 programmes aimed at existing managers, providing around 800 places. There are eleven programmes for future managers, providing at least 700 places, which are aimed at school students, undergraduates, and unemployed managers. In both areas there are programmes with an international focus, and in total 425 places are provided overseas.

Chief Executives, Managing Directors and Senior Executives of local companies are also given the opportunity to learn and gain greater awareness of best international practice as it relates to "people development" issues through a series of workshops, seminars and conferences.

Financial resources

Expenditure in 1995/96 was £5.5 million.

Effects

In 1995/96 over 1,500 places were provided in programmes aimed at future and existing managers (including 280 overseas placements). There was at least 80% satisfaction rating by participants and (where relevant) sponsoring employers that participation in the programme increased their individual and/or business performance.

4.5 Sectoral Development Programme

Aim

To strengthen the ability of employers to train their own work forces, and to strengthen the employer-based part of the training infrastructure.

Contents

The programme assists companies to work towards achieving national standards such as Investors in People and National Vocational Qualifications. The programme is open to companies in the Wholesale and Retail, Transport, Tourism and Hospitality and Construction sectors. The programme is managed and delivered by the relevant Sector Training Council (STC).

Financial resources

Expenditure in 1995/96 was £210,000.

Effects

Plans have been developed by the four STCs to introduce and promote strategic training.

4.6 Investors in People (IIP)

Aim

To raise the level of awareness and commitment to development and training as a key element in improving business competitiveness (see Chapter III, UK-iv.5).

Contents

IIP is a national standard for effective training and development to the achievement of business goals. The Training and Employment Agency has formed and trained a team to actively promote the standard.

Financial resources

Expenditure in 1995/96 was £147,000.

4.7 Fast Track Programme

Aim

To develop the managerial and strategic skills of existing and new entrepreneurs in order to improve and expand business performance.

Contents

The Fast Track programme provides development opportunities for entrepreneurs of existing businesses less than three years old which have potential for high growth.

Financial resources

Expenditure in 1995/96 was £80,000.

5. Measures for Those with Special Needs

5.1 Open Learning Access Centre Network (OLAC)

Aim

To help improve the employability and skills of the disadvantaged in the initiative areas of Belfast and Londonderry, particularly those who are unemployed, disabled or women wishing to return to the work force.

Legal basis

The Employment and Training Act (NI) 1950.

Contents

The Open Learning Centre network offers a range of flexible and accessible courses and other training opportunities to individual community groups and employers. Eligible trainees may be entitled to up to £750 worth of training in the Centres. Training is mainly pre-vocational and tends to be in areas of IT and personal development.

Financial resources

1995/1996 expenditure was £830,000.

Institutional support

The Open Learning Centre Network is funded by the Training and Employment Agency. The Network had initially been supported by the Making Belfast Work and Londonderry Regeneration initiatives but this support ended in March 1995 and March 1996 respectively.

Effects

Since the opening of the first Centre in 1988, the use of the Centres has grown steadily and in the year ended March 1996 over 2,000 individuals had been helped to undertake training in the OLAC Network. This is in addition to the paying customers and corporate clients.

5.2 Specialist Training

Aim

To provide vocational training for people with disabilities who cannot take advantage of main-stream training.

Legal basis

Disabled Persons (Employment) Acts (NI) 1945 and 1960.

Contents

Specialist training is available in Northern Ireland at the Thomas Doran Training Centre, Parkanaur Dungannon and Enterprise Technology in Belfast. Colleges in Great Britain offering specialist training not available in Northern Ireland are also used.

Financial resources

The expenditure for specialist training in 1995/1996 was £274,898.

Institutional support

Administered by the Disablement Advisory Service of the Training and Employment Agency.

Effects

Eight people have been trained in GB Colleges during 1995/1996. 23 training places are funded at Enterprise Technology. Twelve training places are funded at Thomas Doran Training Centre.

5.3 Communicator Service

Aim

To help people with impaired hearing make the most of opportunities for work or training by providing a communicator during interviews for jobs or training, at selection interviews with employers or training providers and at induction training courses.

Legal basis

Disabled Persons (Employment) Acts (NI) 1945 and 1960.

Contents

The services of a professional communicator through the Ulster Institute for the Deaf. The cost is borne by the Training and Employment Agency.

Financial resources

1995/96 estimated expenditure was £2,002.

Institutional support

Administered by the Disablement Advisory Service of the Training and Employment Agency.

Effects

25 people with hearing impairments have received the support of a professional interpreter in connection with employment or training.

5.4 Mobile Assessment Service

Aim

To help people with disabilities find out which training or employment is most suitable for them.

Legal basis

Disabled Persons (Employment) Acts (NI) 1945 and 1960.

Contents

The Employment Assessment Unit, comprising three Occupational Psychologists, one Task Administrator and two Administrative staff, provides a mobile Vocational Assessment Service in all areas of Northern Ireland. The service provides the opportunity, through guidance interviews, practical work exercises and vocational information, to assess abilities and interests. A vocational plan can then be developed to return the person to suitable employment.

Financial resources

1995/96 expenditure was £118,000.

Institutional support

The Employment Assessment Unit is part of the Disablement Advisory Service in the Training and Employment Agency. It works closely with Disablement Employment Advisors who are located in Training and Employment Agency Offices throughout Northern Ireland.

Effects

357 people with disabilities have been assessed during 1995/96.

Appendix 1: Abbreviations

ACAS	Advisory, Conciliation and Arbitration Service
ACE	Action for Community Employment
ADC	Ability Development Centre
ASCETT	Advisory Scottish Council on Training Targets
BSUS	Business Start-Up Scheme
CA	Claimant Adviser
CAC	Central Arbitration Committee
CATs	City Action Teams
CBI	Confederation of British Industry
CDL	Career Development Loans
COIT	Central Offices of Industrial Tribunals
CRE	Commission for Racial Equality
DDA	Disability Discrimination Act
DEA	Disability employment Adviser
DED	Department of Economic Development
DfEE	Department for Education and Employment
DTI	Department for Trade and Industry
EA	Employment Action
EAT	Employment Appeal Tribunal
EBP	Education Business Partnership
EMG	Ethnic Minority Grant
EOC	Equal Opportunities Commission
ERE	Employment Department's Economics, Research and Evaluation Division
ES	Employment Service
ESJs	Employment Service Jobcentres
ESRC	Economic and Social Research Council
EURES	European Employment Services
GHS	General Household Survey
GNVQ	General National Vocational Qualification
HSC	Health and Safety Commission
HSE	Health and Safety Executive
ICTU	Irish Congress of Trade Unions
IiP	Investors in People
ILO	International Labour Organisation
JICs	Joint Industrial Councils
JIG	Job Interview Guarantee
JSA	Jobseekers Allowance
JTP	Job Training Programme

LEAs	Local Education Authorities
LECs	Local Enterprise Companies
LEDU	Local Enterprise Development Unit
LFS	Labour Force Survey
LRA	Labour Relations Agency
NACETT	National Advisory Council for Education and Training Targets
NCA	New Client Adviser
NCVQ	National Council for Vocational Qualifications
NIC	Northern Ireland Committee
NTA	National Training Awards
NTTF	National Training Task Force
NVQ	National Vocational Qualification
OECD	Organisation for Economic Co-operation and Development
OME	Office of Manpower Economics
OPCS	Office of Population Censuses and Surveys
PACTs	Placing, Assessment and Counselling Teams
REC	Racial Equality Councils
RREAS	Race Relations Employment Advisory Service
RSA	Royal Society of Arts
SCOTVEC	Scottish Vocational Education Council
SDA	Sex Discrimination Act
SEP	Supported Employment Programme
SFSB	Skills for Small Business
SFTL	Small Firms Training Loan
SPS	Supported Placements
SRB	Single Regeneration Budget
SVQ	Scottish Vocational Qualification
TECs	Training and Enterprise Councils
TfW	Training for Work
TPS	Teacher Placement Scheme
TUC	Trade Union Congress
TULRA	Trade Union and Labour Relations Act
TVEI	Technical and Vocational Education Initiative
UPA	Urban Programme Authority
YT	Youth Training
YTS	Youth Training Scheme

Appendix 2: National Correspondents

Belgium

Joseph Remy, Ministère de l'Emploi et du Travail

Denmark

Karen Thrysoe, Arbejdsministeriet

Germany

Jochen Jahn, Bundesministerium für Arbeit und Sozialordnung

Detlef Hein, Bundesanstalt für Arbeit

Greece

Ekaterini Kritikou, Ministry of Labour

Spain

Delmira Paz Seara Soto, Ministerio de Trabajo y Asuntos Sociales

Finland

Helinä Melkas, Ministry of Labour

France

Henri Roux, Ministère du Travail et des Affaires Sociales

Claudine Elhaïk, Agence Nationale pour l'Emploi

Ireland

Frank Doheny, Department of Enterprise and Employment

Italy

Mariarosaria Damiani, Ministero del Lavoro e della Previdenza Sociale

Luxembourg

Jean Hoffmann, Administration de l'Emploi

Netherlands

Martin G. Blomsma, Ministerie van Sociale Zaken en Werkgelegenheid

Austria

Johannes Schweighofer, Bundesministerium für Arbeit und Soziales

Marius Wilk, Arbeitsmarktservice

Portugal

Victor Viegas, Ministério para a Qualificação e o Emprego

Sweden

Mats Wadman, Arbetsmarknadsdepartementet

Palle Landin, Arbetsmarknadsstyrelsen

United Kingdom

Graham Archer, Department of Education and Employment

Peter Sydserff, Employment Service

European Commission

Sergio Piccolo, DG V/A/2