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NCC Statement on Labour Supply & Skills

Government Should Allow Immigration, Without Employer Sponsorship, in Required Skill Areas to Help Meet Labour Demands – National Competitiveness Council

The Government should allow non-EU nationals possessing high-level skills identified as scarce to acquire visas to work in Ireland without employer sponsorship, the National Competitiveness Council (NCC) says in its Statement on Labour Supply and Skills published today (13 September, 2000). This would build on the working visa system introduced in March 2000 for immigrants in nominated occupational categories to obtain a working visa through the Irish embassy in their home country if they have secured a job offer in Ireland.

In order to augment the domestic labour force and meet growing demand, the NCC believes that the Government should promote immigration in required skill areas, through FÁS, and develop an online database with information on individuals seeking work and on employers seeking to recruit staff.

Commenting on the statement, the chairman of the National Competitiveness Council, Mr Brian Patterson, said that skills would be the key determinant of future competitiveness in the context of accelerating technological change. "While significant progress has been achieved on foot of earlier recommendations by the Council, further action is required to expand and develop the labour force and to raise skill levels. Other countries are investing heavily in upgrading labour force skills and a sustained high level of investment is required even to maintain our competitive position."

The Council considers that there is a need to further encourage **married women over 35 and older people** to re-join the workforce. Many of these people may believe that the skills they once possessed have been depreciated by the passage of time. As a result, they are reluctant to rejoin the paid workforce because they believe that they would only qualify for low-skill jobs. This indicates the need for a range of re-training and skills upgrading programmes specifically fashioned for workforce re-entry, backed by career advice and counselling.

Problems with functional **literacy and numeracy** persist in the workforce and not only in the older age cohorts. The Council recommends that independent testing of basic literacy and numeracy be more frequently undertaken during the years of compulsory schooling and remedial measures made readily available where deficiencies are identified. State-supported job subsidy schemes, such as the Community Employment programme, and reintegration training for the unemployed should contain modules on literacy and numeracy. A part of the enhanced funding for the National Adult Literacy Agency, under the National Development Plan, should be dedicated to the provision of basic literacy and numeracy programmes by companies. Employers should be encouraged to incorporate such remedial courses into their induction training where appropriate and to release existing staff to participate.

Apprenticeship training has expanded rapidly in recent years. The current training system is severely overloaded, and there is a pressing case for investing in increased capacity. Financial and human resources should be allocated as a priority and relevant Government departments should co-operate fully to ensure that the issue is speedily resolved. Work pressure in companies is often heavy and this can make it difficult to release apprentices for training programmes. Maximum attendance is, however, important particularly in the context of inadequate capacity and is in the long-term benefit of the companies.

While acquiring technical knowledge and competencies is vital, the Council considers that "**interpersonal**" skills, such as team work and communications are as important in building a competitive firm as the "technical" skills of operating machines, testing new products or checking goods into a warehouse. These skills should be included in education programmes and in company training programmes.

Mr John Travers, Chief Executive of Forfás, said that the initiatives proposed in the Council's statement would assist in making the best use of scarce available labour resources and directing them to where they are most needed. "In the absence of active labour mobilisation and skills enhancement policies, excess demand will persist in the labour market, exerting continuous upward pressure on wages and jeopardising Irish cost competitiveness in the medium-term. In current tightening labour market conditions, taking no action is the most expensive option", Mr Travers warned.

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