



Confederation of Irish Industry

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Member of UNICE - the voice of European Industry

PRESS RELEASE

Address by Liam Connellan, Director General, Confederation of Irish Industry,
at Press Conference to Launch the Business Educator of the Year Award,
Wednesday, 3rd October 1990 at 5.45p.m.

IRELAND NEEDS TO ACHIEVE PARTICIPATION RATES IN EDUCATION AND TRAINING SIMILAR TO GERMANY IF WE ARE TO ACHIEVE A SIMILAR LEVEL OF ECONOMIC DEVELOPMENT

Participation rates in education and training are key determinants of the ability of modern industrial economies to develop and grow. This relationship is most clearly demonstrated in the Federal Republic of Germany where 95% of young people obtain either a third level qualification or complete a three year training programme leading to certification in one of 400 different trade skills. It is no accident that the Federal Republic is now the strongest economy in Europe.

It is essential that the less developed regions of the Community, such as Ireland, should achieve a similar rate of participation in education and training so that they can match the economic performance of the more developed regions and thereby bring about a reduction in regional disparities throughout the European Community. This implies that our objective should be to provide education and training with formal certification for all young people up to the age of nineteen. Such an approach would ensure that when young people enter employment they are highly efficient and productive from the start, and have the knowledge and skills which would enable them to make a greater contribution to the development of their organisations than would otherwise have been possible.

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In the middle of the last century Thomas Davis, Editor of "The Nation" newspaper adopted the slogan "Educate that you may be free". One of the hallmarks of true freedom is the ability to earn a living in accordance with one's potential. It is clear there is a direct relationship between the potential of young people to gain employment and their educational attainment. For example, a young person with a university degree or a Leaving Certificate has a much greater chance of obtaining employment than a young person who has no second level qualification or formal trade. Job prospects of young people can be greatly enhanced by increasing the proportion who obtain educational qualifications.

At present about 40% of the young people from 16 to 19 years of age inclusive are no longer involved in full time education. I recognise fully that there are social, economic and cultural obstacles to be overcome in encouraging them to remain in education and in providing necessary education and training facilities.

Young people who leave school without a qualification are much more likely to be unemployed than those who remain on. Apart from the loss of dignity involved in being unemployed, the average cost to the State of an unemployed person is £3,500 per annum. The cost to the State of providing an additional place at second level is only £1,300. It may even be less at the present time as demographic trends in Ireland are resulting in a fall in the total number of students. On current trends, there will be 35,000 less students in our education system in three years time due primarily to a fall in numbers at primary level. Furthermore, increased participation at second level education and training will reduce the numbers of young people coming on to the labour market and will lead to a substantial reduction in the numbers of people who are unemployed. There should be little or no nett additional cost to the State arising from increased participation in education.

I welcome the introduction in recent years of the post-Leaving Certificate vocational training preparation courses and believe that these courses provide an excellent basis for introduction of more formal certifiable skills. We are on the right track but should not be satisfied until we achieve participation levels as good as the very best. I would advocate a target of achieving the German level of 95% participation in education and training to formal certification level by the end of this decade.

The Confederation would also like to see a development of the training within industry certification scheme introduced on a pilot basis last year. I would like to see this scheme expanded next year by introducing a two-year training programme with an educational component where the State would pay a training allowance to the trainee, and the firm would meet the cost of providing the training place. This scheme should be operated on a voluntary participation basis and the Confederation would be willing to promote it strongly within industry. I believe that training for a wide range of certifiable skills within industry and commerce, similar to the approach adopted in Germany, would be much more cost effective than many existing schemes; would ensure that the quality of entrants into the workforce would be higher than at present; and that young people would be much more likely to obtain employment.

I am therefore recommending a more active and developmental manpower policy. I believe that the additional costs incurred in education and training can be offset completely by savings in unemployment payments which would otherwise have to be made to unqualified young people who could not obtain jobs. By offering more cost effective education and training to young people there will be a substantial reduction in the numbers of people unemployed.

The education and training of young people in relevant knowledge and skill will greatly enhance the productive capacity of the Irish economy. I have little doubt that this approach will

be supported by the European Commission as it will enable substantial progress to be made in reducing the gap in economic development between Ireland and the more developed regions of the Community. We need more qualified people. We need more people who can speak modern Continental languages; people with computer skills; and all the other skills of a modern dynamic European economy. The availability of these skills in Ireland will give our young people the tools to create employment opportunities for themselves, and will also increase the attractions of Ireland as a location for manufacturing and service industries to supply the European market.

Ireland has a world-wide reputation in regard to the quality of education which it provides. We should not, therefore, restrict our efforts to educating our own people. Our teachers have contributed to education in many countries over the centuries and are still doing so. It should not escape our notice that Britain earns £2,000 million annually providing education in Britain for foreign students. In view of our tradition, and our ability to provide high-quality educational services, I suggest that we should be able to attract much larger number of overseas fee paying students to this country. Educational services is a rapid growth industry and is particularly suited to Ireland.

Finally, it is a very great pleasure for me to invite the Minister for Education, Mrs Mary O'Rourke, to launch the CII Business Educator of the Year Award. The Business Studies teacher is an exceptionally important link between industry and education. He or she interprets and explains business and industry to young people, provides them with essential skills and generates in them the enthusiasm for innovation and business development which will improve the quality of life in our country in future decades. It is in recognition of this very special contribution by the individual teacher that the Confederation has decided to inaugurate the CII Business Educator of the Year Award.

ENDS

3rd October 1990

Details of the CII Business Educator of the Year Award Scheme attached.