



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

EC Legislative Work Programme: RaISe
Briefing

5 June 2013

The Committee Clerk: Yes.

Mr Murphy: The observations on the European structural and investment funds are on page 2 of table 2. The final one is the last one on the sheet.

The Chairperson: Page 110, members.

Mr Murphy: I am first going to discuss the proposal for a Council decision on employment guidelines. In March 2010, the European Council launched a new strategy for jobs and growth, Europe 2020, which the Committee may be aware of. It is based on the enhanced co-ordination of economic employment policies between member states. As part of that process, member states must take economic and employment policies as areas of common concern, co-ordinating their own policies with the Council. In order to implement Europe 2020, employment guidelines for member states were adopted on 21 October 2010. Importantly, they were designed to remain relatively stable until the end of 2014 in order to ensure that they were implemented. Member states are expected to take those guidelines into account when developing their own employment policies.

The guidelines established in 2010 are on: increasing labour market participation of women and men, reducing structural employment and promoting job quality; developing a skilled workforce responding to market needs and promoting lifelong learning; improving the quality and performance of education and training systems at all levels and increased participation in tertiary or equivalent education; and, finally, promoting social inclusion and combating poverty. The proposal in the current work programme will outline the employment guidelines for 2014, which should remain relatively unchanged since being adopted in 2010. However, the Committee may wish to note that the guidelines may be subject to change in 2015, which could then have an impact on any of Northern Ireland's employment and skills development policies.

The second area I am going to discuss is the Commission observations on member states' proposals for partnership agreements for the European structural and investment funds for the period 2014-2020. In October 2011, the European Commission adopted a legislative package that would frame cohesion policy for 2014-2020. It is designed to boost jobs and growth across Europe by targeting EU investment in Europe's growth and jobs agenda, otherwise known as Europe 2020. An essential part of boosting growth and jobs in Europe are the European structural and investment funds, which are the main instruments for structural investment. They comprise a number of major funding streams, including the European social fund and the European regional development fund.

Under Europe 2020, those funds will fall under a common set of rules, which will allow for the better combination of the funds for greater impact when used. In order to implement the ESIF and ensure that funds are targeted appropriately, member states must draw up partnership contracts. Those partnership contracts will commit member states to focusing on fewer investment priorities, in line with the Europe 2020 objectives. The contracts will set targets and set aside a financial performance reserve to reward regions that do best in meeting their goals. It should be noted, however, that, if these contracts are not protected, the Commission can ask to review the programmes or suspend the funding if remedial action is not taken.

As stated by the Department of Finance and Personnel, the content of the UK partnership agreement will set out arrangements to ensure alignment with the Europe 2020 strategy, including: an analysis of UK disparities; development needs and growth potential with reference to the European Commission's thematic objectives; and relevant, country-specific recommendations addressed to the UK by the European Council as part of the European economic semester.

A separate section is included within the UK partnership agreement for each of the devolved administrations. The Department of Finance and Personnel (DFP) established a consultative partnership group on EU funding in 2012, one of its main focuses being the development of the NI contribution to the UK partnership agreement. On 10 April 2013, the Committee for Finance and Personnel forwarded correspondence to the relevant statutory Committees, including the Committee for Employment and Learning, regarding the progress of the consultative partnership group. The update stated that a draft of the NI submission had been circulated to Executive Ministers in February; however, Ministers requested some changes to be made, with the final draft expected to be placed in front of the Executive in due course. I have not found out anything regarding that since, but there may be additional information that the Department will be able to provide.

As Northern Ireland makes extensive use of a number of these funds, ESIF is a significant tool in tackling economic inactivity and increasing work skills. As such, any alterations to it or other funds may have significant impacts on groups and individuals across NI. So, it is certainly one to be aware of as it develops over time.

The final area that I will look at is the EC recommendation for structural changes in universities and research institutions to promote gender equality. In May 2010, the Council of the European Union recommended that EU member states be immobilised to develop appropriate policy-support initiatives to support women in European science and technology. To facilitate that, a group of high-level experts were brought together in February 2011. They were tasked to identify the most appropriate means to reinforce activities for better representation and retention of women in universities and research institutions at all levels of their scientific career.

A report by the group identified five main problems faced by research institutions in encouraging women into science and technology careers. Those include opaqueness in decision-making processes. Despite significant progress in Europe, lack of transparency continues to affect structures and processes. It also identified unconscious bias in assessing excellence. A number of studies found a considerable unconscious gender bias in areas such as the assessment of excellence and, particularly, through peer review in academic journals and assessment of work. In addition, and most importantly, employment policies and practices, as, despite many years of European legislation on equal opportunities, statistics show that EU member states still have a gender pay gap, and gender continues to be a structuring factor in the workplace and also in research.

The report proposed structural changes in science institutions as a means of addressing each of those five sets of problems. That includes things like making decision-making more transparent; promoting excellence through diversity, such as enhancing scientific human capital for knowledge; and removing unconscious bias from institutional practices. It also suggests modernising human resources management and the working environment. What they are basically suggesting is that, at an EU level, legislative changes may be needed to deal with issues such as the gender pay gap, parental leave and ensuring easier mobility across Europe for people who want to travel to different areas and work in different institutions.

Whilst it is a non-legislative proposal, essentially the report's recommendations are potentially being translated into an overall document that can be sent out to member states to show how they can implement those changes. The implementation of that recommendation could have a number of impacts on Northern Ireland, including potential changes to employment law.

As outlined by the Minister of Employment yesterday, women are still at a distinct disadvantage in the labour market, with a large gap in pay of around 10%. Also, women are less likely to pursue careers in STEM subjects. The proposed recommendations could play a key role in encouraging women into those careers, and their remaining there would have individual and regional benefits for Northern Ireland.

Those are the areas I am looking at. If the Committee has any questions, I will try to answer them.

The Chairperson: Thank you, Eóin.

Mr Allister: Just for clarification, the first and the last of the three areas you looked at are mere guidance; they are not legislative proposals? Is that right?

Mr Murphy: The first one is legislative. As I have already discussed the other legislative proposals in previous Committee meetings, I have gone to the higher-ranked non-legislative areas.

Mr Allister: However, the first will legislate for guidelines. It will not be prescriptive?

Mr Murphy: Yes, it is guidelines to be adopted and taken into consideration when developing policy.

Mr Allister: The third one that you told us about also relates to guidance?

Mr Murphy: Yes.

Mr Allister: With regard to partnership agreements, we have had the European regional development fund and European social fund for many years. Were there not, hitherto, partnership agreements relating to those funds?

Mr Murphy: I do not know. I can check for you and confirm. I know that they are developing the current proposals for them in terms of how they operate within different —

Mr Allister: Why do they now think that we need partnership agreements if, presumably, we did not have them previously?

Mr Murphy: As far as I am aware, it is in order to try to co-ordinate them better. Because there is a big focus on the Europe 2020 strategy hitting specific targets for jobs and growth, it is to ensure that member states are focused on those areas.

Mr Allister: Between who would those partnership agreements exist?

Mr Murphy: For the UK, each devolved Administration will create its own and put it into the overall one. Various groups are involved in those negotiations, including Departments and universities. I can get a full list of who is in the membership groups. It is available on the DFP website. If the UK agrees the partnership contract, it is provided to the European Council and is negotiated between the two groups as to how it fits in with establishing targets.

Mr Allister: Does it create a sort of cartel in accessing those funds?

Mr Murphy: Not as far as I know. Drafts have been published for England, mainly about local authorities' delivery of the agreement. I can certainly check for you and confirm whether there is any information regarding that.

Mr Allister: OK, thank you.

Mr Douglas: Eóin, thanks for that presentation. In the Chamber on Monday, the Minister talked about gender issues relating to employment, learning and skills. In response to a question I asked, he talked about similar problems in GB. Is some of the work being focused on very much about Europe, not just the UK and, in particular, universities in Northern Ireland as well?

Mr Murphy: It has an EU focus but would disseminate down in terms of recommendations. The initial report that was published in November 2012 is very much just an analysis of areas of need. Those recommendations came out of issues identified in that report. In terms of how it will be targeted, again it is non-legislative, so it will not be binding. However, different groups and countries can adopt it as they need or want.

Lots of legislation is already in place across Europe to tackle those issues. I suppose that the report is there to reinforce the idea that there are still an awful lot of issues such as a gender pay gap and gender bias. Part of the focus of the report is to get women to remain in science and technology, because there is an awful lot of fall-off. Women do A levels or go to college and develop that career and then just sort of fade away. It is to keep women there.

Mr Douglas: I have a general question that is, hopefully, not outside your remit. Are there models of good practice throughout Europe? Have people cracked any of these problems?

Mr Murphy: I do not know. I can certainly take a look and see if there is something there.

Mr Douglas: Thanks, Eóin.

Mr Buchanan: Eóin, what role does the Department have in the development of the partnership agreement? Does it have any role? What influence does it have?

Mr Murphy: I will start at the beginning. The member states developed the partnership agreements, but the UK has decided that it wants its devolved regions to set up how they will implement it and what they believe should be going into it. So, Northern Ireland, Wales and Scotland — England has a

separate one — each have their own section in the overall partnership agreement and will decide how they going to implement it. So, they have a fairly strong voice.

DFP has developed a working group that is made up of various different organisations across Northern Ireland and various Departments, and I think that the Department for Employment and Learning (DEL) has two or three people who sit on that. A list of those involved is freely available on the DFP website, and I can get a copy of that to you. That will allow you to see who sits on that and the terms of reference that they operate to.

Mr Buchanan: Have you been able to glean any information as to what input those folk have had?

Mr Murphy: No. The only thing that I could find were two published sets of minutes. I think that the last one that was published was from November. The last thing that I could find was a piece of correspondence that was sent to the Committee in April from the Committee for Finance and Personnel regarding progress on that. So, there is not an awful lot of information available on what DEL has been doing on it, how it is going to affect it or what it would like to see in ESIF funding.

Mr Buchanan: Is it fair to say that we are not punching at our weight on this issue?

Mr Murphy: I do not know. I do not have the information to state what input it has had. However, the devolved regions have their own say on how it is administered because we administer the funds ourselves. As far as I am aware, it is up to us to decide how it is done.

The Chairperson: We will be able to pull that out of the Department when it comes in front of us.

How is the breaking up of the targets done, Eóin? Who does it?

Mr Murphy: As far as I know — I am sure that the Department will be able to be more specific — the targets are agreed between the UK Government and the European Council. Again, they are trying to hit Europe-wide targets for the Europe 2020 strategy for jobs and growth. There is an overall focus in that area. As far as I am aware, it is an agreement between them. So, I assume that, if it is agreed at a UK level, it will have been previously agreed by the devolved regions. That would be both how they will hit those targets and what is needed in development terms in each region.

Mr F McCann: My question might follow on from what Thomas said. Under the regional aid guidelines section in your paper, it states that this region:

"relies heavily on EU state aid",

and that there is a deadline for one element finishing and a new element beginning in 2014 for 2014 to 2020. Who has the responsibility for ensuring that we are attempting or making proposals to ensure that we maintain what we have got and try to enhance that?

Mr Murphy: I do not know. I have not come across that in looking at it. I would assume that there may be some involvement from DEL, but the Department of Enterprise, Trade and Investment would probably play a role in that. I can certainly find out, or —

Mr F McCann: I will ask Patricia when she comes in. Thanks very much, Eóin.

The Chairperson: Eóin, thank you very much.