



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

Economic Inactivity:
DEL Briefing

8 May 2013

NORTHERN IRELAND ASSEMBLY

Committee for Employment and Learning

Economic Inactivity: DEL Briefing

8 May 2013

Members present for all or part of the proceedings:

Mr Robin Swann (Chairperson)
Mr Thomas Buchanan (Deputy Chairperson)
Mr Phil Flanagan
Mr David Hilditch
Ms Bronwyn McGahan
Mr Pat Ramsey

Witnesses:

Mr Michael Armstrong Department for Employment and Learning
Mr Jim Russell Department for Employment and Learning

The Chairperson: Gentlemen, you are very welcome. I introduce to the Committee Mr Jim Russell, the deputy director of the employment service and Mr Michael Armstrong, a member of the economic inactivity strategy working group. We have received your presentation. If you want to give us any additional information, we are willing to receive it before we proceed to questions.

Mr Jim Russell (Department for Employment and Learning): I thought that we would quickly run through some of what we think are the key points for the Committee to think about. We will then take any questions that you may have on what you have heard from the Minister and what you have read by way of published background papers.

First, what do we mean by "economic inactivity"? Basically, we mean people who are not working and not available to start work immediately. So there is a split between those who are working, those who are out of work and available to start immediately and those who are not. The economically inactive group are those who are out of work, but are not available to start work tomorrow should a job become available. Essentially, they are people with particular issues with finding work, preparing for work or holding down a job.

When tasked with this issue under the Programme for Government, we decided to take a fundamental look at it, go right back to first principles, establish some sort of a baseline and ask ourselves what that baseline told us about the problem. We commissioned a literature review by Edinburgh Napier University, did our own research and published the baseline at the start of April to coincide with the Minister's statement. The baseline study focused on the aspects of inactivity that are problematic: for example, about a third of those who are economically inactive are students, but nobody would say that their being inactive was bad for the economy. Students are learning, training and becoming qualified and, when they complete their qualifications, they are ready to take their place in society and in the economy. So, in a sense, that type of inactivity is good. Others are inactive by virtue of, for example,

early retirement or particular caring responsibilities. Those discharging caring responsibilities do not represent a cost to the Exchequer because they are helping people who need care.

Two groups emerged from the baseline study as requiring additional help through being inactive because of particularly difficult circumstances: those out of work because of ill health or disability; and those who have caring responsibilities for children, particularly lone parents. It was no surprise that those two groups emerged from the analysis. Had the analysis been done 10 years ago, it would have come to the same conclusions. The rate of economic inactivity, 27% of the working-age population, has probably not changed since records began and always hovers around that mark. It was still at that level last month and, as I said, it was the same 10 years ago. So the baseline study suggests that, if we are to have a new strategy and do new things, we should concentrate our efforts on those two groups.

The study also shows that, if you look below the surface, you will see other important characteristics that could suggest how we address the problem. One such characteristic is gender. Female inactivity rates are higher than those for males, but, over time, that has been changing, with male rates rising and female rates falling. There is also a geographical aspect to economic inactivity. People in more rural and isolated areas tend to have higher levels of inactivity, but, oddly and perversely, some inner city areas also tend to have very high rates. Another important factor is the level of educational qualifications. Over a third of economically inactive people have no qualifications at all. The final characteristic is that of age. People who are not working because of health and disability tend to be older; people who have caring responsibilities as lone parents tend to be younger.

It is not as though we have not tried to look at this issue before. I was in the Department in 2005 when we started Pathways to Work, which was designed to address economic inactivity among people who were out of work because of ill health and disability. That programme has been available everywhere in Northern Ireland since 2008. We have tried various projects for lone parents, and, in the background to all of this, as you are all aware, welfare arrangements have been changing and affecting benefit entitlement, and so forth. All of that is designed, in theory, to make work more attractive and make work pay. However, if you look at the data, you will see that all the work that we have done and everything that we have tried has not made any great inroads into the 27% who stubbornly remain inactive. Hopefully, the new strategy that we are working on will bring some new thinking to how we address that.

We in the Department for Employment and Learning (DEL) have produced a very early draft strategy, but, as the baseline study has thrown up, economic inactivity is not an issue that one Department can tackle on its own. That is probably why the Programme for Government initially tasked the Department of Enterprise, Trade and Investment (DETI) and DEL jointly with this. When you begin to dig into the issues and look at the research, and so forth, you see that there is a big role for the Department of Health, Social Services and Public Safety (DHSSPS) in helping to address the problem. There is also a big role for the Department for Social Development (DSD), and we have asked both Departments to join us on the working group to develop a strategy. DSD has agreed readily to join us, and we await the reaction of DHSSPS. DETI is speaking to Invest NI about the job creation and demand side of the equation. In the past, DEL has tended to look at programmes and schemes to prepare people for work, but we prepared people for work that would not be available. With this strategy, there has to be something about job creation on the demand side. We also have to think about how we help people with health conditions and disabilities to move on, and the Health Department has to play a role in that game with us.

That is our position now. We hope that, if the Health Department signs up, we will have something that we can get to Ministers before recess, but I am the eternal optimist — it is more likely to be the autumn. It depends on how the Health Department and DSD respond to what we have done to date: whether they think that we are on the right track, that we should take a different track or that they need to add something to it. The strategy is very much in the early stages of its genesis. We are happy to take any questions that members, having read the papers and heard what we have had to say, may have for us.

The Chairperson: OK, Jim, thank you very much for your presentation and additional points. Your paper states:

"Any temporary increase in the unemployment rate caused by the changes to the welfare system could be viewed as laying the foundations for sustainable economic growth in the longer term".

Are you using that statement to lay a foundation for a rise in the number of people who are economically inactive?

Mr Michael Armstrong (Department for Employment and Learning): No. That means that people making the transition from economic inactivity temporarily into unemployment — becoming actively available for work — are joining the labour market in a way in which they were not engaged before. So, with more people engaged in the labour market and able to seek work — provided that you have the other element of the equation, which is jobs for them to go into — that should lead to overall economic growth.

Mr Russell: The issue, however, is that, as the Minister said to us, he does not simply want to move people from being classed as economically inactive to being classed as economically active and still out of work. He wants the transition to be from inactivity to jobs. If we are able to develop the workforce and have a labour pool that is qualified, available and flexible, there is some evidence that that may attract investment. We would need to have people ready and available for work. If we do that, we can, I hope, attract investment. It would certainly help local firms to grow as well.

The Chairperson: You are talking about the Minister's statement on 9 April about moving people from incapacity benefit into work. The figure quoted was something like 139 out of 23,000.

Mr Russell: Yes, very few.

The Chairperson: I think that it was 0.6%. Will that change?

Mr Russell: That is what we are trying to change. We cannot go on as we have because the data shows that everything that we have tried to date, although all very worthy and well intentioned, has not really had the impact that we would have liked. We need to find something different that will get to the heart of the issue.

The Chairperson: That is the big challenge. You said that, hopefully, new thinking will come forward. Then you said that you will involve DETI, DSD and the Department of Health. Excuse me for being cynical, but is there not a risk that the more Departments and civil servants you involve, the less chance that new thinking will be allowed to develop?

Mr Armstrong: That was part of the reason behind commissioning the literature review in the first place — to look at a wider context outside Northern Ireland. Inactivity and unemployment are not isolated to Northern Ireland, and things attempted elsewhere will have worked better than what we have tried. The review was an attempt to find such examples and see whether they would work in a Northern Ireland context. We in DEL wanted to be aware of the effects of transitions in a wider context. Once we have developed that, we go to other Departments, tell them that that is where we are thinking of going and see whether we would be able to do it.

The Chairperson: You say that you have a first draft of the strategy. Does that include any of the radical new thinking that will stimulate the Northern Ireland economy?

Mr Russell: Our first draft, from a DEL perspective, is about how we would reactivate people in a different way. What we need from DETI — that is why it is talking to Invest NI — is how it would stimulate the demand side. In fact, we were just talking about this outside: if we put in place measures with DSD, the Department of Health and others to prepare people for work, but there is no work for them to move into, they will start to regress. If you read the Programme for Government commitment, you will see that it is about addressing economic inactivity through skills and job creation. So the First Minister and deputy First Minister challenged our Department to look at this issue in a holistic way, which involves not only preparing people for work but creating jobs, and that is difficult.

The Chairperson: I also found your statement in the document about the creation of jobs striking. We all know about the effect of the recession. However, you state:

"the recession has had no significant impact, positive or negative, on the inactivity rate."

Mr Russell: Yes.

The Chairperson: Surely the recession will make it harder to get people back into work, so it has had an effect or will have an effect.

Mr Russell: It has not had the effect of increasing the number of those classed as economically inactive. That seems to be fixed at around the 27% mark. It was 27% in 2007, when the unemployment rate was something like 2.3%, and it is still 27% today, even though the unemployment rate is now 8%. The level of economic inactivity, therefore, does not seem to be affected by the economic cycle, and that is part of the problem.

Mr Armstrong: I think that what you are getting at, Chair, is that it is more difficult to reduce inactivity in a period of recession, and, in a way, you are right. In a period of low unemployment, you have a better chance of transitioning someone from inactivity to a brief spell of unemployment and then, finally, to work. With more people available for and actively seeking work, and without the barriers that keep people in the inactive categories, it is more difficult to reduce inactivity in a period of recession. However, what we are saying about the baseline study is that it shows that the overall inactivity rate was not affected by the recession in the way that the unemployment rate clearly was.

The Chairperson: Maybe this is where I am losing you. The unemployment rate has increased, but the inactivity rate has stayed the same. Surely if unemployment had stayed at a lower rate, inactivity should have fallen.

Mr Russell: No, it did not. That was the problem.

The Chairperson: It should have.

Mr Russell: Yes, it should have. The problem is that there was no reduction in economic inactivity when the economy was buoyant and jobs were being created; it remained at 27%. That was why we brought in schemes such as Pathways to Work and did some work in and around lone parents. However, those efforts, worthy as they were, did not bring down inactivity, which is what we had hoped would happen. So we need to go back and think again, and that is where we are with this strategy.

When we get a few more heads from DHSSPS and DSD around this, we can, I hope, begin to firm up some ideas. Once the Executive have agreed it, I think that the whole strategy will go out to public consultation to take on board the views of all interested parties. No doubt, we will bring that back to you when we are in a position to share more. We know that DEL alone, or even two, three or four Departments, cannot address this. We need the input of as many people who have an interest, understanding and stake in this as possible. So we will come back to the Committee, as other Departments will come back to their respective Committees, and ask: "What do you think of this, guys? Is it a good idea? Do you think that it will work? Do you have anything else to bring to the table that would have an impact?" It is an extremely difficult area to address.

The Chairperson: Finally, your document states the intention to:

"Develop initiatives with key stakeholders (including health professionals) that will motivate the economically inactive to adopt a positive approach to work."

Are you talking about engaging with doctors to get people who have been on the sick or on benefits back into work?

Mr Armstrong: There are examples, and the literature review threw up a couple, of moving employment and other forms of support closer to health practitioners. One example is putting employment service advisers into GP practices. There are examples of where that has worked by simplifying things. The baseline study highlights mental health issues. Say, for example, that somebody is out of work suffering from depression. Their doctor prescribes medication for the depression but does not discuss their employment status or lifestyle. If you make it easier for the doctor to refer them to an adviser, who can help them with their issues in a more holistic way, you have a better chance of getting that person back into work. The evidence is that getting back to work is not only better for them economically and for their own productivity but from a health perspective.

The main conclusion of Dame Carol Black's report is that health and employment outcomes need to be moved closer together.

Mr Russell: We deal with people who are not working because of their health. So they come in to see an adviser, and we try to encourage them to think about moving back to work and to try things to help them to do that. If the people around them — such as GPs, who are very important players in the game — do not gently encourage them in the same direction, they are being given mixed messages. Staff will tell you that it is very difficult to talk to someone who just says, "The doctor says that I am sick." They are sick, but they need not always be in that position. People can progress. Their health can improve, and they can return to work.

You probably know about the condition management programme (CMP). One of the best examples from CMP is that of people with heart conditions or heart disease who have had surgery. Often, people have it fixed in their minds that, after serious heart surgery, they are, in a sense, at risk or would pose a risk to others if they were in a working situation. In fact, after heart surgery, they are at less risk than they were before it. An example that we had way back in the early days of Pathways to Work was that of a gentleman who had been a school bus driver. He thought that he could not go back to work and drive kids with the condition that he had when, in fact, he was less of a risk after the operation than he had been before it. Some advice, guidance and explanation to help people's understanding can help them to overcome some of their negative thoughts about themselves, which they really should not have.

Mr Flanagan: Thanks for your presentation. You have given us quite a lengthy document. I have just picked out a couple of things. The draft strategy links reducing economic inactivity to the current welfare reform agenda, which is not actually aimed at addressing economic inactivity or encouraging people back into work: its sole aim is to reduce the welfare budget and cut provision. How do you respond to the claim that it has misplaced the position of welfare reform as a strategy to reduce economic inactivity?

Mr Armstrong: It is not as though welfare reform set out, specifically, to reduce economic inactivity. However, there are elements of it that remove disincentives, which exist in the current system, to seek work. That is the element of welfare reform that can, we believe, contribute to the strategy.

Mr Flanagan: What examples do you have of that?

Mr Russell: Universal credit (UC). The theory behind universal credit is that it will always make work pay. In the current system of jobseeker's allowance (JSA), employment and support allowance (ESA) and so forth — even when you bring things like working tax credits into the equation — there are barriers or cliffs that people fall off. If, for example, people work too many hours, they may lose out on tax credits and other passported benefits. That acts as a disincentive to people trying to increase their hours of work. The theory behind universal credit is that, no matter how many hours you work, you will always be better off. UC is a very useful tool in that regard. We can tell people that, even if they are trying to get back to work after an illness, an operation or something like that, and even if they worked six hours a week and retained their entitlement to universal credit, they will be better off. The incentive is to increase their hours gradually, as and when they are able to cope with the additional workload and as their health improves.

I know that there are all sorts of issues about welfare reform, cuts, and all of that. However, universal credit, as a basic reform of the benefits system, with the intention of always making work pay, is a big help for us in encouraging people to make the change from not working to trying work, staying in work, and progressing in work.

Mr Flanagan: Do you see welfare reform, in its totality and not focusing on universal credit, as a way of getting people back to work, rather than an attempt to cut money from the welfare budget?

Mr Russell: It is not in our remit to take a view on whether welfare reform is a good or a bad thing, or a tool to cut public expenditure. However, from the day when the universal credit proposals were published in 2010, the basic premise that work should pay was a very big help to us in assisting people back to work.

Mr Flanagan: Cutting welfare is not an incentive to work. We need to see investment and growth, and we should not be relying on cuts in provision to get people back to work. Rather than just saying that

we will just bring in universal credit, force people to leave welfare and make them take menial jobs, how do you plan to do that? How are we going to create jobs for people? It is not about people wanting to be on welfare; it is the fact that there are no jobs for them.

Mr Russell: Absolutely; yes.

Mr Flanagan: How are we going to deal with that?

Mr Russell: That is what DETI and Invest NI are trying to get their heads around at the moment. They deal with economic development, investment and encouraging job creation.

Mr Flanagan: Why is DEL dealing with economic inactivity?

Mr Armstrong: We come in almost as the bridge. How the welfare system impacts someone on benefits and what incentives it gives them to find work is the remit of DSD. That comes under welfare reform. You then have DETI on the other side, which is trying to stimulate investment and boost jobs. Our role is in making sure that the most effective methods are in place to support people, give them the necessary skills, and to support them to make the transition and stay in work that will be of benefit to them and their families.

Mr Flanagan: The fact that there are no jobs is still a major barrier.

Mr Russell: Absolutely. That is the problem that we have to try to face. As we sit here today, we have not had any comeback from DETI or Invest NI on what their thoughts are on that. It is a big problem.

Mr P Ramsey: Thanks very much for the presentation. This is one of the most hugely important challenges for you.

Mr Russell: Absolutely.

Mr P Ramsey: Two of the key areas that are identified in the report are long-term incapacity benefit cases and disability cases. How many specialised disability advisers does DEL have across Northern Ireland?

Mr Russell: In the employment service, we have probably somewhere in the region of about 200 staff who deal —

Mr P Ramsey: Do they specifically deal with people with complex disabilities?

Mr Russell: They deal with people with health conditions and disabilities.

Mr P Ramsey: No —

Mr Russell: I know the question that you are asking, Pat. You are asking whether we have disability employment advisers. We do not.

Mr P Ramsey: OK. In February this year, 23,000 people migrated to ESA. How many of them secured work?

Mr Russell: I have no idea.

Mr P Ramsey: The figure is 139.

Mr Russell: Sorry. You asked about the number of people who migrated from incapacity benefit to ESA. I thought that you said "migrated to the USA"; I misheard. That figure is correct.

Mr P Ramsey: We are expecting a tsunami of people going from incapacity benefit to ESA over the next year. Would that be reasonable to say?

Mr Russell: That is fair enough.

Mr P Ramsey: How many specialised disability advisers do you intend bringing into the system to help to cope with that demand?

Mr Russell: The first thing to say is that most of the people who are migrating do not have complex health issues and disabilities.

Mr P Ramsey: How do you know that?

Mr Russell: They go through medical assessment. We know from previous evidence and research that at least two thirds of people who are claiming incapacity benefit could work, with the right help and support.

Mr P Ramsey: Jim, you cannot definitively make the statement that you know that two thirds of those people are capable of going back to work. Fundamentally, you cannot sit there and make that statement.

Mr Russell: That is the outcome from the medical assessment. It is what the medical assessment says.

Mr P Ramsey: If two thirds of them have not yet gone through the medical assessment, how can you know?

Mr Russell: We know the numbers that are coming through.

Mr P Ramsey: At the present time. Sorry, Chair, we are getting stuck again. I chair the all-party group on disability and the all-party group on learning disability. I take no heart from this document for the people we advocate for on those all-party groups. How many disability groups have you met? Have you met the post-19 lobby group?

Mr Russell: We have not; no.

Mr P Ramsey: Chair, they are coming in here and having a go at Health and DSD and everybody else for not doing it right, but there is no ambition here to meet the targeted groups or the representatives who are acting on their behalf. I ask you now whether you will attend meetings of the all-party group on learning disability and the all-party group on disability to explain how you are going to get those with complex medical problems back into work.

Mr Russell: When we have completed the work on the strategy and have proposals —

Mr P Ramsey: Sorry, I have to interrupt again. If you are trying to form a strategy, surely you need to speak to those representing disabled people in our community now, not after the strategy has been formed.

Mr Russell: Yes.

Mr P Ramsey: So will you kindly agree now to meet the range of disability groups representing the constituent body before you develop a strategy?

Mr Russell: We will.

Mr P Ramsey: I will contact you with some dates. I have raised this issue several times. I raised it in the House when the Minister made his statement. There are a number of disability advisers in our communities across the constituencies. What we do not have are specialised disability advisers to deal with the complex needs of so many in our community who not only have physical problems but mental health problems and learning disabilities. I say that as a challenge to Michael and Jim. Do not come here and make a statement that you know factually that two thirds of those on incapacity benefit could return to work. I do not accept that.

The Chairperson: Jim and Michael, this goes back to the point that I raised about developing the initiatives with key stakeholders. Pat has made a very valid point. You refer to health professionals, but it is about taking it to the wider groups that Pat has referred to. I thank you for making the commitment that you will engage. There is a genuine approach, and the Committee needs to work through this with you and the Minister to get it right.

Mr Buchanan: A lot of the issues I am going to touch on have already been covered. We talk about making work more attractive. One thing we have to do is make work pay. Over the past number of years, work has not paid in all the other mechanisms you have used to try to reduce the number of people who are economically inactive. They were better off on benefits than if they had gone into the workplace. That scenario has got to completely change if we want to get those people into the workplace. We are not taking anything away from those folk who are not able to get out into the workplace, but there are a number who are able to get out there, and that is where the difficulty lies. That has to change. I believe that, through welfare reform, there will come a change in that area.

Paragraph 2.3 states that there are 40,000 fewer jobs in Northern Ireland than there were before the recession. How will the strategy address that issue? Unless there is job creation, we are not going to get people into the workplace because there is no work for them, as has been mentioned already. How will the strategy address that issue?

Mr Russell: The strategy has to be about preparing people so that they are ready to move. It also has to look at how we create the jobs or stimulate the economy to create the jobs, and that is one of the things that we have to determine and work on. That is in the DETI/Invest NI space at the moment, and they have to come back to us with thinking on it. We are still at the very early stages of all of this. We really do have to get our heads round it. As of today, I cannot tell you exactly how it will be done.

Mr Buchanan: That is the challenge and the difficulty that we face. The other issue relates to the people who have a disability — physical or learning — and creating a specific workspace for them to allow them into the workplace. That will involve working with employers to see whether they have the capacity to bring in those people.

Ms McGahan: Thank you for your presentation. My question is a follow-up to Pat's point on medical assessments. Are you aware that medical evidence does not have primacy during those medical assessments? We have been flagging up that as a key issue. You talked about stimulating the economy. We have heard a lot about the skills shortage out there, yet we have a high rate of unemployment. Our party held a meeting with the Northern Ireland Chamber of Commerce a couple of weeks ago, and it is talking about a skills deficit. What are you doing to plug that gap? I would like to hear some good-news stories instead of hearing about all the barriers. Yes, there are barriers, but, equally, there is a skills shortage, which tells me that there are jobs out there that cannot be filled.

There are a lot of courses on offer that are becoming a conveyor belt. People are put into work placements for a short time, only to return to being NEET. Are figures available to show the number of people who have become involved in those work placements and who are now classed again as NEET?

Mr Russell: Which programme particularly?

Ms McGahan: Any of them.

Mr Russell: Any training programme at all?

Ms McGahan: Yes.

Mr Russell: We would have to look at that. I am not sure about that across the full range of programmes. Certainly, we will be able to do that very easily for programmes that are run by the employment service.

Ms McGahan: Your economic inactivity report identified a number of categories. It talks about lone parents; it also talks about rural areas. Clearly, there is an overlap. How do you plan to deliver in rural areas?

Mr Russell: That will be a particular issue to address. We are still looking at what we might do and what we might put in place. At this stage, we have identified the issues that we think we need to address. We will then work up the detail of how we might address those issues in the coming months. We will come back with that detail at some point.

Ms McGahan: I would have expected you to come here prepared with your answers. I am not impressed with your answers at all.

Mr Russell: We do not have a strategy yet that we can share with anyone. All that we have done at this point is publish the baseline study, which points up the issues that we think we need to address.

Ms McGahan: It states the obvious; it states what we already know.

Mr Hilditch: I will not rehearse the health issues. However, turning it around, Jim, I can sense the frustration in your voice today about this matter. You say that the strategy is at a very early stage and that you are consulting with other Departments and, potentially, Committees. Is any work going on with employer groups in the private sector at this stage? Obviously, they are major stakeholders. Is anything happening with that sector to formulate a strategy? Is there any involvement or communication? They are going to the media and criticising the Department on a regular basis.

Mr Russell: We have not directly engaged with employer organisations yet. That is something that is still to be done. However, you are right —

Mr Hilditch: It would be good to could get them in, Jim, before the wider consultation.

Mr Russell: Obviously, employers are a big player in this. They give people chances and create opportunities. We certainly need to consult with them. There is a fair piece of work still to be done.

Mr Hilditch: There is. Chair, we were involved, wearing another hat, in the Committee for Culture, Arts and Leisure's creative industries report, in which we talked about skills shortages. I tabled a question to the Minister for Employment and Learning on what he was going to look at in that report, because I felt that it was cross-departmental. I was very disappointed that the question was shifted to DETI. I feel that there are lessons to be learned across Departments. The question should not have been shunned as easily as that. A lot of people in the private sector were interviewed, and they indicated where the skills shortages are. That is why we need to take the private sector on board much more and try to consult with everybody as stakeholders.

Mr Douglas: Apologies for being late for the presentation. In his statement, the Minister talked about female inactivity numbers being higher, but that they are also falling. For males, inactivity is on the rise. Can you tell us the reasons why the female rates are falling and the male rates are increasing?

Mr Armstrong: It really comes down to the primary categories that both genders fall into. Within the long-term sick and disabled category, there are more men than women. That factor is on the rise. For students and other categories, it is relatively stable between the two. The family commitments category is absolutely dominated by women: the figure is around 80% or 90%. The main factor in the difference is a rise in the long-term sick and disabled category among men.

Mr Douglas: The Minister also said in his statement that any intervention will have to take account of gender issues. What is your response to that? What are you proposing to do?

Mr Armstrong: That just means that we are taking a look at particular issues. I would say that that is more to do with the family commitments category and how certain roles are assigned to women in a way that they are not to men and, importantly, what support is needed to make sure that, if people are being prevented, for whatever reason, from moving into work, we are able to deal with that.

Mr Buchanan: You talked throughout the presentation about this being a synopsis of a strategy that is yet to come forward. You talked about collaborating with DETI, Health and other Departments. Have you got a list of the other stakeholders that you intend to speak to as you seek to form that strategy?

Mr Russell: We have already spoken to some groups. Even when we were putting together the baseline study, we spoke to stakeholders, particularly in the voluntary and community sector, and also

the Occupational Health Service in the public sector. We will be consulting further. We have made commitments today, but we would have been consulting widely anyway, not just through our own stakeholder groups that we deal with on a regular basis, but through the organisations that other Departments deal with. As I said, we are at the point where we have asked the Health Department and DSD to join us on this. Once we get the four Departments around the table, we will look at who we need to consult with across the range of interests, from the employers that we have talked about, through to the disability groups that Pat talked about.

Mr Buchanan: I ask because, in response to the Chair's earlier question about when the draft strategy would be brought forward, you said it would maybe be before recess, but probably the autumn. There is not a hope that it could be brought forward before recess if none of those people has yet been engaged with about their thinking on forming a way forward for the strategy.

Mr Russell: Possibly, and possibly not. It depends on what other Departments think of what we have done to date. If they think that the strategy is nearly there or close to being there, we could go out to consultation sooner. We need to get the views of the others.

The Chairperson: Jim and Michael, thank you very much for coming along this morning. I think that you can sense the frustration among Committee members. That was evident after the Minister's initial statement on 9 April. The Committee is clear that we have to get this right.

Mr Russell: Absolutely.

The Chairperson: You said that, historically, strategies that were put in place did not work. If we do not get this right in the current recession, that will have a major impact. You said, Jim, that you were an optimist and hoped that the strategy would be ready for June, and then you said it would probably be the autumn. With the engagement of stakeholders that you are talking about, and the cross-departmental work, you have a great deal of work ahead of you in a very short space of time. The Committee will be proactive in providing any help that it can to move the process forward. We will also be looking for regular input from you to see how far the process has progressed, and, if there are hold-ups, we will seek to put pressure elsewhere to get it moving, because it is an important piece of work.

Gentlemen, thank you very much for your time.