



**Fourth Implementation Report on the
Lufthansa Technik Airmotive Ireland
European Globalisation Adjustment Fund (EGF) Programme**

Covering the period 31 Aug 2014 – 30 April 2016

Prepared by

**EGF Managing Authority,
Department of Education and Skills
and the SOLAS EGF Coordination Unit**

8 June 2016

1 INTRODUCTION

The European Globalisation Adjustment Fund (EGF) assists EU Member States through its co-funding mechanism to provide approved programmes of active labour market supports to workers made redundant as a result of the adverse impacts of globalisation, or in certain cases, due to the effects of the global economic and financial crisis. Generally, a minimum threshold of 500 redundancies applies, over a 4 month period for a company and over a 9-month period for a sector, although an exceptional circumstances criterion may be invoked if the redundancies have a serious adverse effect on the local, regional or national economy. Both mainstream and additional supports may be provided by national authorities as part of an EGF co-funded programme.

On 19 September 2014, the EGF Managing Authority of the Department of Education and Skills as Competent Authority for the EGF in Ireland, submitted an application to the European Commission under the exceptional circumstances criterion in support of a total number of 424 workers affected by redundancy at Lufthansa Technik Airmotive Ireland (LTAI) Ireland, Naas Rd, Rathcoole, Co Dublin and two ancillary enterprises from late 2013. The LTAI EGF programme was approved by the EU Budgetary Authority on 15 April 2015.

In addition to the affected workers, the EGF programme also provides support for a cohort of up to 200 young people under 25 years of age not in employment, education or training (NEET persons). The optional provision of EGF supports for up to a similar number of NEET persons as the number of workers targeted for assistance within an approved EGF programme is a new temporary development which is provided for under Regulation (EU) No. 1309/2013. This Regulation governs the administration of the EGF from 2014 to 2020.

This fourth implementation report covers the period from the end of August 2014 when first data on EGF eligible persons was collected until 30 April 2016.

1.2 The Lufthansa Technik Airmotive Ireland EGF Programme

The LTAI EGF programme provides a range of guidance, retraining, upskilling and enterprise supports for:

- 415 workers made redundant at LTAI from late December 2013 onwards
- 9 workers made redundant at ancillary enterprises i.e. QCafé (4) and Senaca Group (5) which provided catering and security services respectively at the LTAI facility.
- up to 200 young people under 25 years of age not in employment, education or training (NEETs). The figure of 200 is based on the number of redundant workers who it is estimated will receive supports over the lifetime of the EGF programme.

The interventions being offered to these 624 eligible persons include:

- Guidance and career planning supports;
- EGF Training Grants (flexible accredited training or further or higher education courses from private providers)
- Training and Further Education programmes;
- Higher Education programmes;
- Enterprise and self-employment supports;
- Income supports including the EGF Course Expenses Contribution (CEC) scheme.

It was estimated in the EGF application that a total of 250 affected workers and 200 NEET persons – the ‘target populations’- would be assisted under the programme.

The provision of services for the LTAI EGF programme is being co-ordinated by the SOLAS EGF Co-ordination Unit with personnel based in the Dublin Dun Laoghaire Education and Training Board’s Tallaght Training Centre in the Cookstown Industrial Estate.

An outline chronology of the LTAI programme to date is set out below:

<i>Date</i>	<i>Action</i>
15 November 2013	Letter from Lufthansa Technik announcing collective redundancies to the Minister for Jobs Enterprise and innovation.
6 December 2013	First LTAI worker made redundant
January 2014	Survey of redundant workers conducted by Dept of Social Protection (DSP) to gauge interest in undertaking EGF supports.
December 2013 – June 2014	All 415 LTAI & 4 QCafe workers made redundant
15 August 2014	All 5 Senaca Group workers made redundant
August 2014	Survey of redundant workers conducted by SOLAS EGF Coordination Unit (EGFCU) to gauge interest in specific EGF supports already undertaken/ foreseen
20 August 2014	Meeting between EGF Managing Authority, EGF Coordination Unit and worker representatives to discuss possible EGF programme supports
19 September 2014	EGF Managing Authority submits EGF application to EU Commission
21 November 2014	EGF LTAI Open Day in Tallaght Training Centre
October 2014	1st tranche of 200 NEETs identified and contact commenced
January 2015	Local EGFCU office in Tallaght Training Centre opens with 2 staff
6 February 2015	European Commission approves LTAI EGF application.
19 February 2015	European Council (Budgetary Committee) approves EGF application
9 March 2015	EGFCU briefing session with NEETs, Tower Plaza Hotel, Tallaght
25 March 2015	European Parliament approves EGF application
April / May 2015	Final EU Budgetary Authority approval & transfer of EGF funds to EGF Managing Authority
June 2015	2 nd tranche of 106 NEETs identified and contact commenced
11 June 2015	1st meeting of the LTAI EGF Consultative Forum
30 September 2015	2nd meeting of the LTAI EGF Consultative Forum
10 February 2016	3rd meeting of the LTAI/PWAI EGF Consultative Forum
8 June 2016	4th meeting of the LTAI EGF Consultative Forum
19 September 2016	EGF programme ends
19 March 2017	EGF programme final report required to be sent to European Commission

2 ELIGIBLE BENEFICIARIES UNDER THE LTAI EGF PROGRAMME

The total number of potential EGF eligible beneficiaries on the LTAI EGF Programme is 624, of which 424 are workers affected by redundancy at LTAI and 200 are NEET persons.

2.1 Affected workers:

The profile of the workers affected by the announcement in November 2013 of redundancies at the Lufthansa Technik Airmotive Ireland plant in Rathcoole is briefly as follows:

- 415 persons employed at LTAI, 4 at QCafe and 5 at Senaca Group
- 374 male, 50 female
- 418 EU nationals, 6 non-EU nationals
- 217 resident in Co. Dublin, 142 in Co. Kildare, 14 in Co. Wicklow, 14 in Co. Meath, with the remaining 37 in Carlow, Laois, Kilkenny, Louth, Offaly, Roscommon, Sligo and Westmeath
- 220 (52%) of all workers aged 45-59

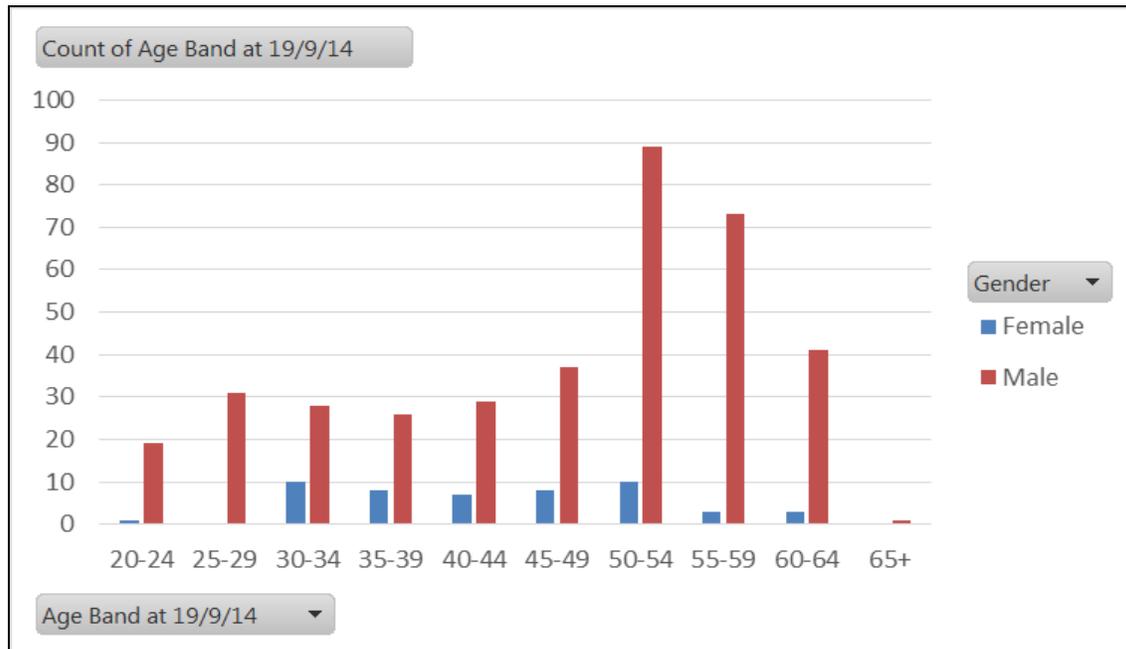


Figure 1: LTAI Affected workers – Age profile by Gender

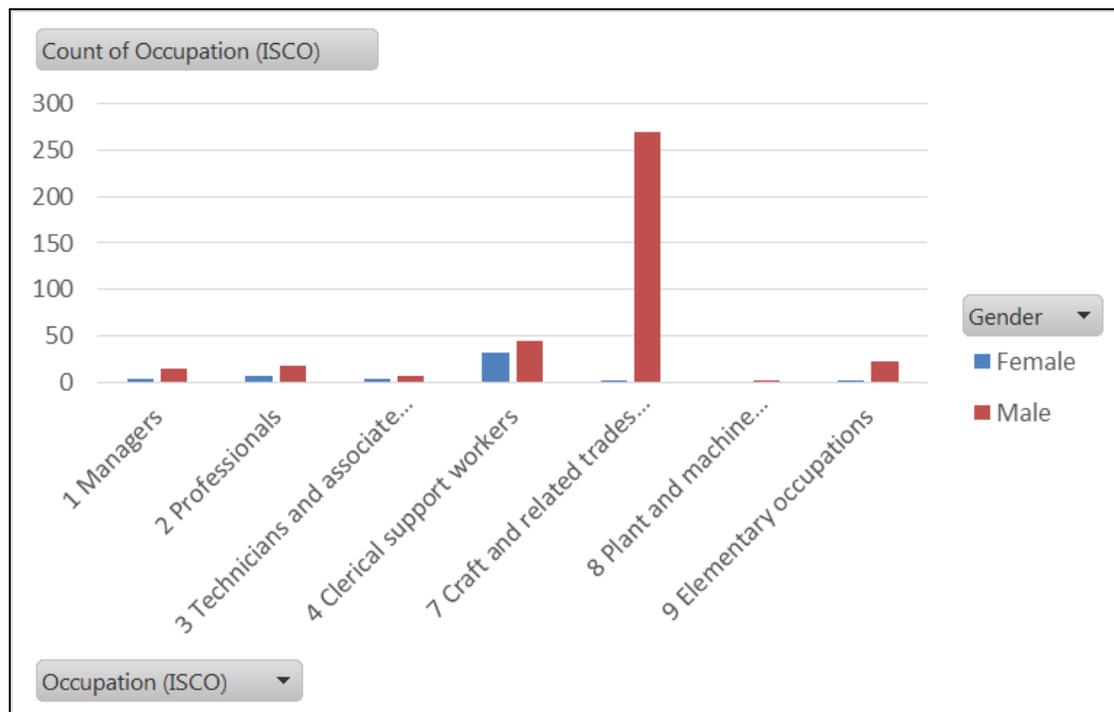


Figure 2: LTAI Affected workers – Profile by Occupation (ISCO)

2.2 NEET persons:

An initial listing of **200** NEET persons under 25 years of age resident in the Tallaght and surrounding area was provided by the Department of Social Protection to the EGF Managing Authority in October 2014. Almost two thirds of this initial cohort is male (63%). A total of 23% has a highest education attained level of Junior Certificate or below, 66.5% has a National Framework of Qualifications (NFQ) Level 5 Leaving Certificate, 1.5% has a NFQ Level 6 Higher Certificate qualification or above while details are not available for 9% of the cohort.

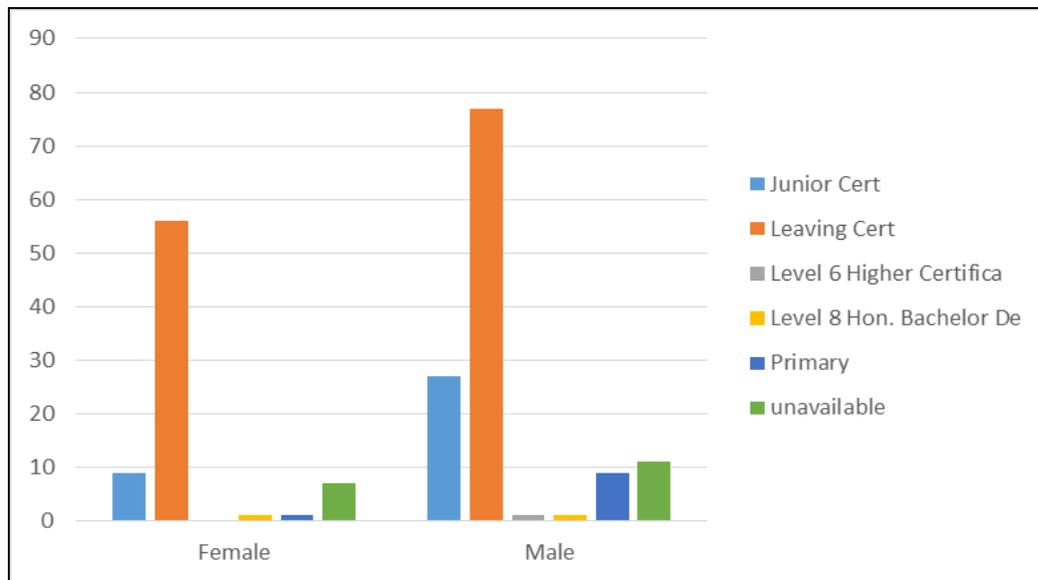


Figure 3: LTAI NEETs - Highest Educational attainment by Gender

A further listing of **13** NEET persons issued to the EGF Coordination Unit shortly thereafter. Due to low levels of take up of EGF measures despite considerable SOLAS EGFCU effort (see section 5.2.1), further listings of **150** and **82** NEET persons were provided by the Department of Social Protection (DSP) to the EGF Managing Authority in June 2015 and March 2016 respectively and provided in turn to the SOLAS EGF Coordination Unit. The EGF Coordination Unit has contacted all **445** persons to date, and the labour market and EGF programme participation rates for this cohort are included in this report.

3 EGF PROGRAMME PLANNING & COORDINATION

3.1 DSP Survey Results of LTAI workers January 2014

In January 2014, the Department of Social Protection sent a detailed questionnaire to those LTAI workers who had either been made redundant or had been served with notice of redundancy at that point in time. The results of the initial 147 replies received are set out below with preferences tending on balance to relate to experience in the aviation sector and to acquired skills in technical areas.

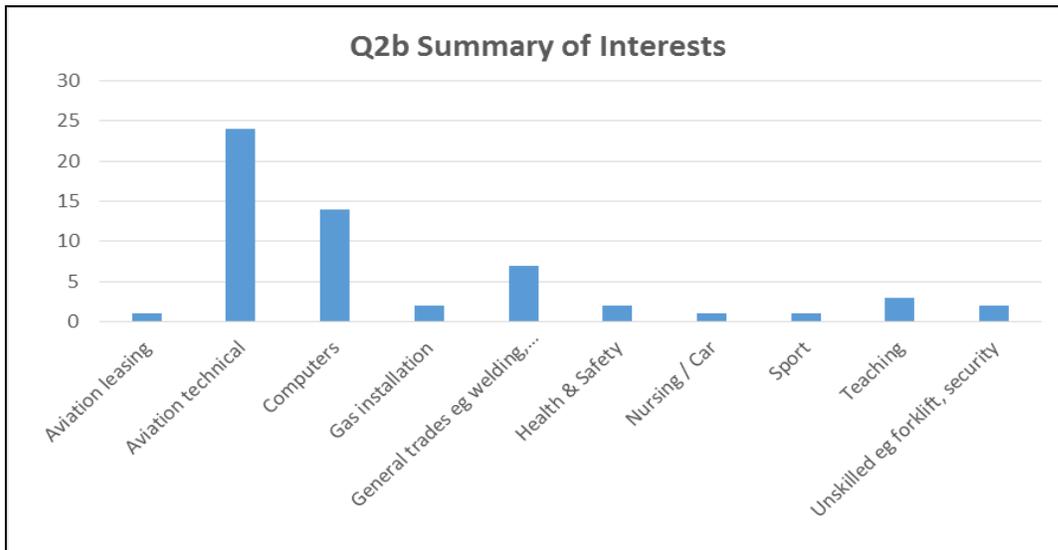


Figure 4: Summary of Interests expressed by 147 LTAI workers in DSP questionnaire

3.2 SOLAS EGF Coordination Unit Survey Results of LTAI workers August 2014

In August 2014, the SOLAS EGF Coordination Unit sent a further detailed survey to 414 LTAI workers seeking information on their retraining/upskilling preferences. An extract from the results of the 188 surveys which were returned (45% response rate) is set out in the table under.

<i>Interest in receiving additional information / supports</i>	<i>Workers</i>
Occupational Guidance	102
Training Re-skilling	153
Training Grant	133
Education Second Level	31
Education Third Level	88
Enterprise / Start own Business	66
Total surveys returned	188

The results of these surveys, including the training preferences of individual workers, duly helped to inform the personalised range of measures which were included in the EGF application submitted by the EGF Managing Authority to the European Commission on 19 September 2014.

3.3 EGF Programme Coordination and Publicity

In order to maximise the finite 24 month programme implementation period, the EGF Managing Authority committed to offering and rolling out delivery of EGF programme measures prior to EU approval with final EU approval only being granted in April 2015.

The EGF Coordination Unit subsequently wrote to, telephoned or emailed all 424 eligible workers and 200 eligible NEET persons informing them of supports available under the programme.

An Open Day was held for both the Affected Workers and NEET persons cohorts at the DDLETB Tallaght Training Centre on 21 November 2014. Key local training, education and enterprise service providers were present to meet and discuss with the eligible cohort their particular

intervention needs. Former beneficiaries of both the SR Technics and Talk Talk EGF programmes spoke about their positive experience of the EGF to the audience.

Since the Open Day, one-to-one interviews have been held and continue to be held by the SOLAS EGF Coordination Unit with interested workers and NEET persons at which the range of EGF supports available are discussed as well as the individual beneficiary's progression plan.

Due to limited take up of supports by the initial tranche of 200 NEET persons, it was necessary to obtain from DSP further tranches of 150 and 82 NEET persons in June 2015 and March 2016 respectively.

3.4 CONSULTATIVE FORUM

A Consultative Forum has met on three occasions to date and is comprised of representatives from the LTAI workers, a number of persons from the NEET persons cohort, representatives of service providers such as the relevant Education and Training Boards, Department of Social Protection, Higher Education Authority, Local Enterprise Offices, Enterprise Ireland, the EGF Managing Authority and the SOLAS EGF Coordination Unit.

A PWAI worker representative attended the most recent LTAI EGF Consultative Forum meeting on 30 September 2015. Given the relatively smaller PWAI cohort, the geographical and skills profile similarities between the LTAI and PWAI workforces and NEET cohorts and to benefit from synergies in the delivery of measures under both concurrent EGF programmes, it was agreed that the LTAI Consultative Forum would be duly reconstituted to encompass the PWAI EGF programme with effect from its third meeting on 10 February 2016

The Forum is being chaired by Ms. Anna Lee, former CEO of the South Dublin County (Tallaght) Partnership.

The aims of the Forum are:

- to offer advice and views on the ongoing implementation of the programme
- to exchange information on and experience of the programme
- to support the rollout of programme supports and seek to maximise participation
- to review communications to beneficiaries and to present the views of beneficiaries
- to review progress reports on programme implementation and outcomes.

4 EGF PROGRAMME PARTICIPATION & LABOUR MARKET OUTCOMES – AFFECTED WORKERS

4.2.1 EGF Programme Participation – Affected Workers

A cumulative number of **230** persons out of the 424 redundant worker cohort (54%) had participated in EGF-related programme measures as at end April 2016. This equates to 92% of the 250 targeted number of workers it was estimated would be assisted under the EU approved programme.

<i>Measure</i>	<i>Workers 2/5/15</i>	<i>Workers 29/8/15</i>	<i>Workers 12/12/15</i>	<i>Workers 30/4/16</i>
EGF Training Grant – Career Guidance	48	73	82	87
EGF Training Grant - to QQI level 5/FETAC	48	115**	131	134
EGF Training Grant – from QQI level 6/HETAC	13	13	16	23
Training and Further Education courses (ETBs)	8**	38**	49	49 ^
Higher Education	11	25	35	55
LEO Enterprise Supports	2	8	8	13
DSP Part-Time Education Option (PTEO)	6	8	9	9
DSP BTEA 2nd level	1	1	1	1
DSP BTEA 3rd level	6	6	6	6
DSP Training/Internships	6	6	6	6
DSP Enterprise Supports	6	7	8	10
Course Expense Contributions (CEC)	82	128	145	166
Total Unique Assisted Beneficiaries*	127	193	215	230
Unique beneficiaries via EGF Coordination Unit	123	179	204	229
Unique beneficiaries via DSP Schemes	4	14	11	1

Table 1: LTAI workers EGF programme measure participation

*Some beneficiaries have received supports under more than one measures

** Figures revised from 29 August 2015 report

^ updated figures at 30 April 2016 not available

The cumulative number of those availing of EGF programme support at end April 2016 (230) has increased by 7% compared to mid-December 2015 (215) and by over 81% compared to the first report (127) at early May 2015. Numbers of workers who had solely availed of a programme support from DSP amounted to just 1 and reflects in part the maturity of the programme with many now off DSP schemes and back in employment.

The numbers of workers participating in training and further education programmes is static for the same reasons outlined above. Further education courses include a range courses up to National Framework of Qualifications (NFQ) Level 6 accredited by industry bodies or by QQI (former FETAC) in Business Studies, Bookkeeping and Payroll, Digital Marketing, and Lean Systems amongst others.

The numbers of workers availing of Higher Education courses has increased by 57% from December 2015 (35) to April 2016 (55) mainly as a result of expenditure claims being presented by Higher Education Institutes in recent months and information provided by the HEA. Examples of courses undertaken include a Certificate in Business in Aircraft Management at IT Carlow; a BSc in Mechanical Engineering at IT Tallaght and a Certificate in Pharmaceutical and Medical Device Operations funded under the Springboard initiative. Some 10 workers completed in mid-May 2016 the tailored NFQ level 8 Higher Diploma in Coaching/Coaching Psychology developed by UCC Adult Continuing Education (ACE) and delivered part time at the ETB Training Centre in Tallaght.

The EGF Training Grant career guidance strand, which covers personalized guidance to a maximum value of €1,000 continues to assist individuals in recognising and developing existing skills sets and to help in identifying future career directions and planning for further appropriate education and training courses. The EGF FETAC Training Grant which funds up to €3,000 per annum of the cost of

accredited flexible training and education generally at private providers and at December 2015 had been availed of by 61% of beneficiaries.

The number of workers availing of grants or 'soft' (mentoring, training etc) supports from Local Enterprise Offices (LEOs) has increased by 62% since December and is comprised of beneficiaries of South Dublin (7), Kildare (3), Dublin City (2) and Dun Laoghaire Rathdown (1) LEOs. The number of workers receiving either the Back to Work Enterprise Allowance or the Short Term Enterprise allowance from DSP increased from 8 to 10 between December and April and reflects the generally longer application process for self-employed supports.

The Department continues to examine, in conjunction with SOLAS, the ETBs and other bodies, the possibility of new training and education actions during the remainder of the EGF implementation period to September 2016 in skills areas identified by industry and workers alike. It should also be reiterated that all 69% of affected workers now re-employed (see Section 4.2.2) remain entitled to avail of supports up to September 2016.

European Commission officials were in Dublin on 12 & 13 May to view the operation of the LTAI and PWAI EGF programmes. The officials met worker and young persons who had benefitted from EGF supports as well as with EGF implementation bodies. They also visited DDLETB premises and two projects MK Bosch and 9D Logistics, both of which had benefited of support from City of Dublin and South Dublin LEOs.



European Commission and other officials during their visit to the premises of former LTAI worker & 9D Logistics project promoter Derek Kennedy (South Dublin LEO EGF-beneficiary) May 2016.

The cumulated number of workers assisted under the EGF programme at 30/4/16 by occupation is set out below. Take up of supports is higher across the lower ISCO occupational categories, but does not deviate much from the total take up rate of 54%. Take up was highest for the most numerous occupation, craft workers (162 of 271 (60%) while participation by technicians is low at 30%, though the absolute number of 10 is not significant.

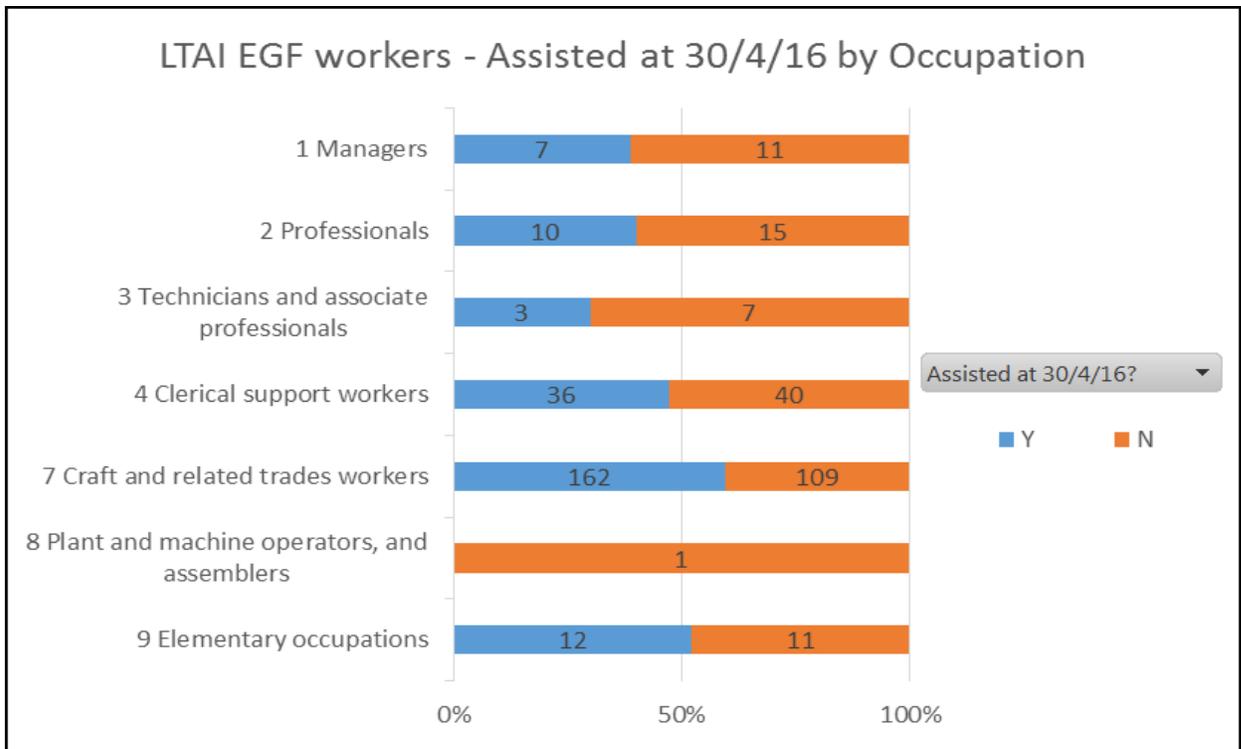


Figure 5: LTAI EGF Workers (424) – Programme participation by Occupation

4.2.2 EGF Programme Labour Market Outcomes – Affected Workers

Data on the welfare and employment status of the EGF eligible cohort was provided in full compliance with data protection legislation and other relevant data exchange protocols by the Department of Social Protection and the Office of the Revenue Commissioners as at 31 August 2014 (shortly before EGF application submission), 3 January 2015, 2 May 2015, 29 August 2015, 12 December 2015 and 30 April 2016.

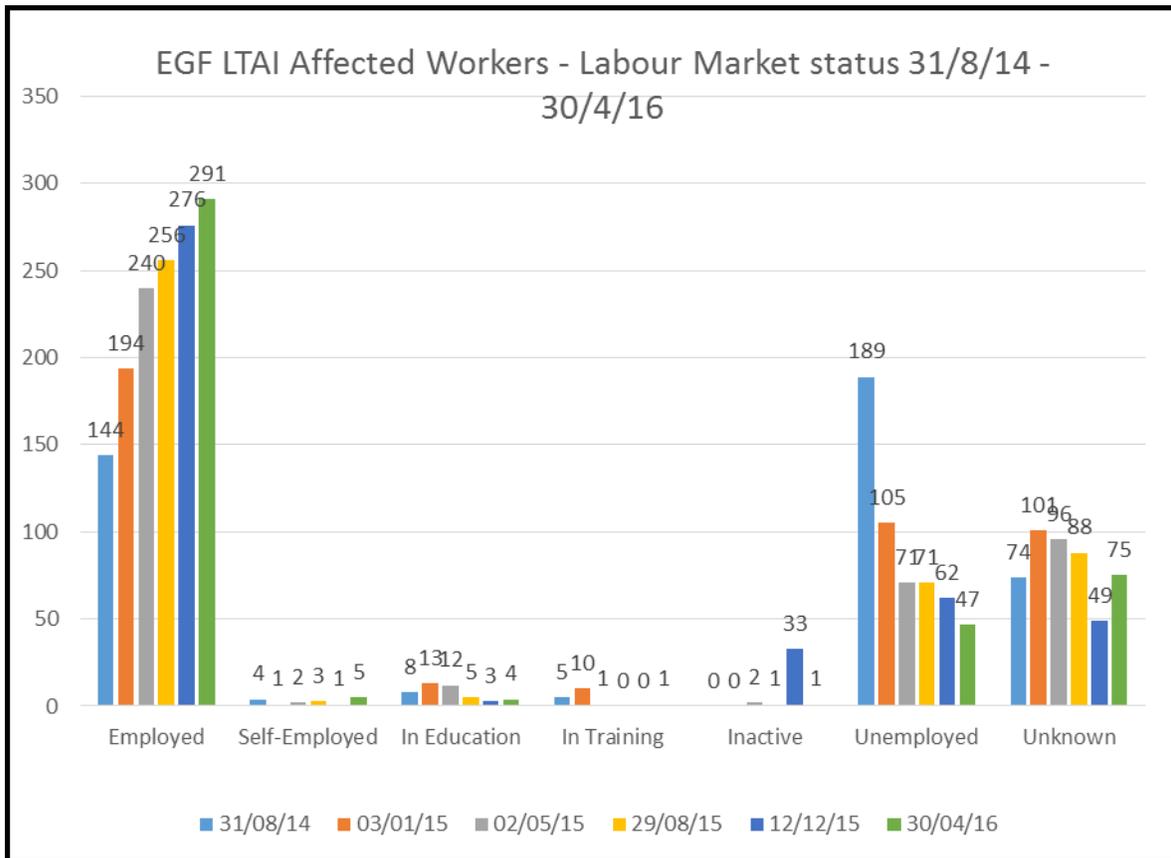


Figure 6: LTAI Affected workers – DSP scheme status 31/8/14 to 30/4/16

(Notes: The 'In training' and 'Self-Employed' categorisations above are limited to schemes administered by the Department of Social Protection (DSP) such as JobBridge, Momentum, Back to Work Enterprise Allowance (BTWEA) and the Short Term Enterprise Allowance (STEA).

The 'In Education' categories includes both DSP-administered schemes such as Back to Education Allowance (BTEA), Part-Time Education Option (PTEO), Springboard and also those persons identified by DSP and confirmed as attending ETB courses. The 'Inactive' category includes those in receipt of One Parent Family, Illness Benefit, Carers Allowance, social welfare pensions. The 'Employed' category includes those in low wage employment in receipt of an income support payment from DSP such as casual workers, Family Income Support recipients. The 'Unknown' category includes those who are neither recorded by Revenue as being employed nor in receipt of DSP payments and may include some persons who have emigrated).

The numbers in employment have continued to grow and at 291 at end April 2016, now equate to some 69% of all eligible workers. Since August 2016, the numbers recorded as unemployed have fallen by over three quarters from 189 to 47.

4.2.3 EGF Programme Worker Beneficiary/Non-Beneficiary - Labour Market Outcomes

The cumulated number of EGF eligible workers who had benefited from one or more EGF interventions at end April 2016 amounted to **230** workers, 54% of the overall affected worker total of 424 and 92% of the targeted cohort of 250 workers.

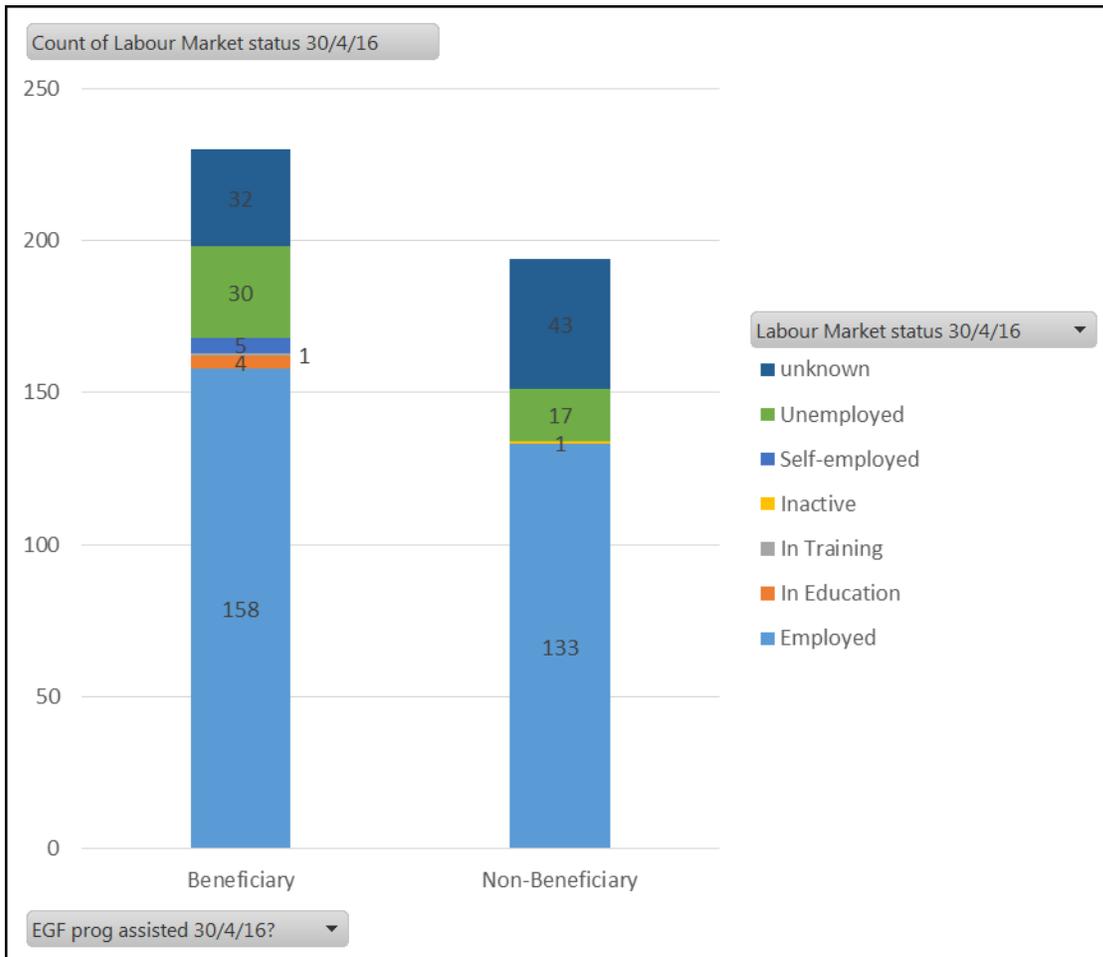


Figure 7: LTAI EGF Affected workers – Labour Market status by EGF programme Beneficiary (230) and Non-Beneficiary (194)

The employment rate of the beneficiary population has increased since December 2016 vis-à-vis the non-beneficiaries to the point where the employment rate for both is identical at 68.6%. When the 5 self-employment cases are added for the beneficiary population, the employment rate reaches 71%.

The unemployment rate for beneficiaries though it has declined from 42 to 30 since December 2015 is, at 13%, higher than that for non-beneficiaries (9%). The lower non-beneficiary unemployment rate is not unexpected and is in line with many other EGF programmes, being reflective of those persons who have managed to access alternative re-employment relatively quickly following the LTAI plant closure.

Surveying will be conducted on behalf of the SOLAS National EGF Coordination Unit to seek to establish further outcomes data as between EGF beneficiaries and non-beneficiaries.

5 EGF PROGRAMME PARTICIPATION & LABOUR MARKET OUTCOMES –NEET PERSONS

5.2.1 EGF Programme Participation – NEET Persons

A cumulative number of **150** (75% of the targeted assisted number of 200) NEET persons had participated in EGF programme measures at mid-December 2015 and represents an almost three-fold increase when compared to May 2015.

<i>Measure</i>	<i>2/5/15</i>	<i>29/08/15</i>	<i>12/12/15</i>	<i>30/4/16</i>
EGF Training Grant – Career Guidance	30	43	84	84 ^
EGF Training Grant - to QQI level 5/FETAC	5	7	14	25
EGF Training Grant – from QQI level 6/HETAC	1	1	1	1
Training and Further Education courses (ETBs)	2	10	19	19
Higher Education	2	2	4	8
LEO Enterprise Supports	2	2	2	3
DSP Part-Time Education Option (PTEO)	0	0	2	2
DSP BTEA 2nd level	1	1	18	18
DSP BTEA 3rd level	3	3	4	5
DSP Training/Internships	13	23	32	35
DSP Enterprise Allowances	0	0	0	1
Course Expense Contributions (CEC)	8	20	39	39 ^
TOTAL UNIQUE ASSISTED BENEFICIARIES *	54	76	137	150
Unique beneficiaries via EGF Coordination Unit	42	57	115	139
Unique beneficiaries via DSP schemes	12	19	22	11
Total NEETs contacted	200	306	363	445

Table 2: LTAI NEET persons EGF programme measure participation

*Some beneficiaries have received supports under more than one measures

^ updated figures at 30 April 2016 not available

Since October 2014, the SOLAS EGF Coordination Unit has made significant efforts to engage with individual NEET persons, using various means of communication (phone, text, email etc), arranging meetings at hours and locations convenient to the client, offering personalized support, guidance services and referral services to the client. The majority of NEET persons have been contacted on at least 3 occasions with some individuals requiring hours of support and encouragement. However, activating NEET persons to participate in programme measures on offer has proven challenging throughout the programme and it was therefore necessary to seek two further tranches of 150 and 82 NEET persons in June 2015 and March 2016 respectively.

DSP in conjunction with the SOLAS EGF Coordination Unit is continuing its attempts to re-engage with NEET persons who have not yet availed of supports. It is anticipated that the latest engagement with newly-selected NEET persons will see a major increase in the total numbers assisted by programme end.

The table above indicates that the EGF Training Grant – Career Guidance measure has been the most popular intervention to date for the NEET persons cohort with take-up almost doubling since August 2015. Such career guidance courses are specifically designed to assist clients in identifying future career directions and planning for further appropriate education and training courses.

The numbers of NEET persons availing of Higher Education courses has doubled from 4 to 8 since December 2015 mainly as a result of expenditure claims presented by Higher Education Institutes in recent months and from information provided by the HEA.

The numbers availing of LEO supports has increased to 3, all of whom are South Dublin clients. Update of DSP Training/Internships allowances has also been notable with 20 and 15 NEET persons on Momentum and JobBridge at end April 2016.

A total of 150 NEETs from the overall 363 persons included in the first two tranches of October 2014 and June 2015 had participated in the EGF programme at 30 April 2016. This is almost treble the numbers participating since May 2015.

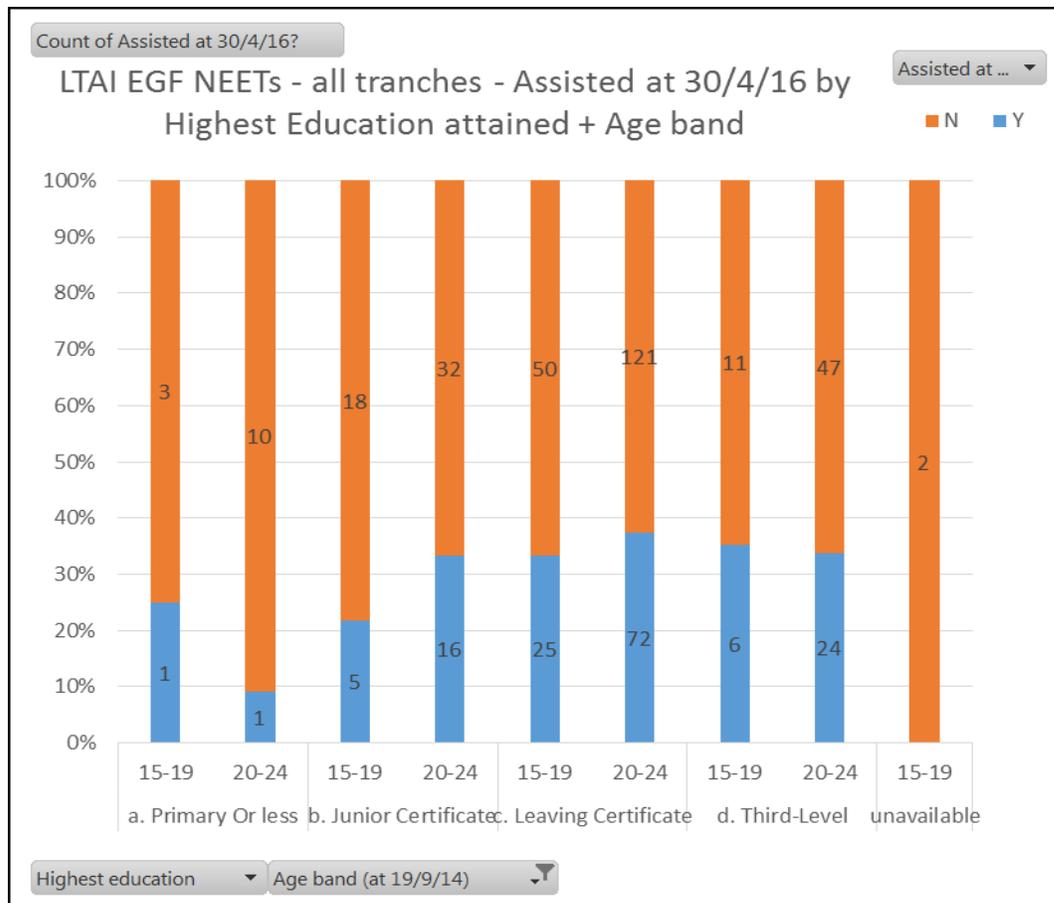


Figure 8: LTAI EGF NEETs (363) - Programme participation 30/4/16 by Highest Education attained and Age Band

Figure 8 shows that participation in the EGF programme measures generally increases in line both with higher educational levels attained and with higher age. Thus only 2 of the 15 with just primary education (13%) participated compared to 30 of the 88 with third level education (34%).

5.2.2 EGF Programme Labour Market Outcomes – NEET persons

At 30 April 2015, 154 of the total number of 445 Young NEET persons contacted to date were in employment (35%). 177 were unemployed (40%), while the status of 68 (15%) was unknown.

As significant periods of time elapsed between the 3 distinct tranches of NEETs from October 2014, June 2015 and March 2016, it is difficult to compare the labour market performance of each tranche in any meaningful way. A chart tracing the labour market status of the first tranche of 200 NEETs allows for a longitudinal analysis of labour market outcomes and is thus set out below.

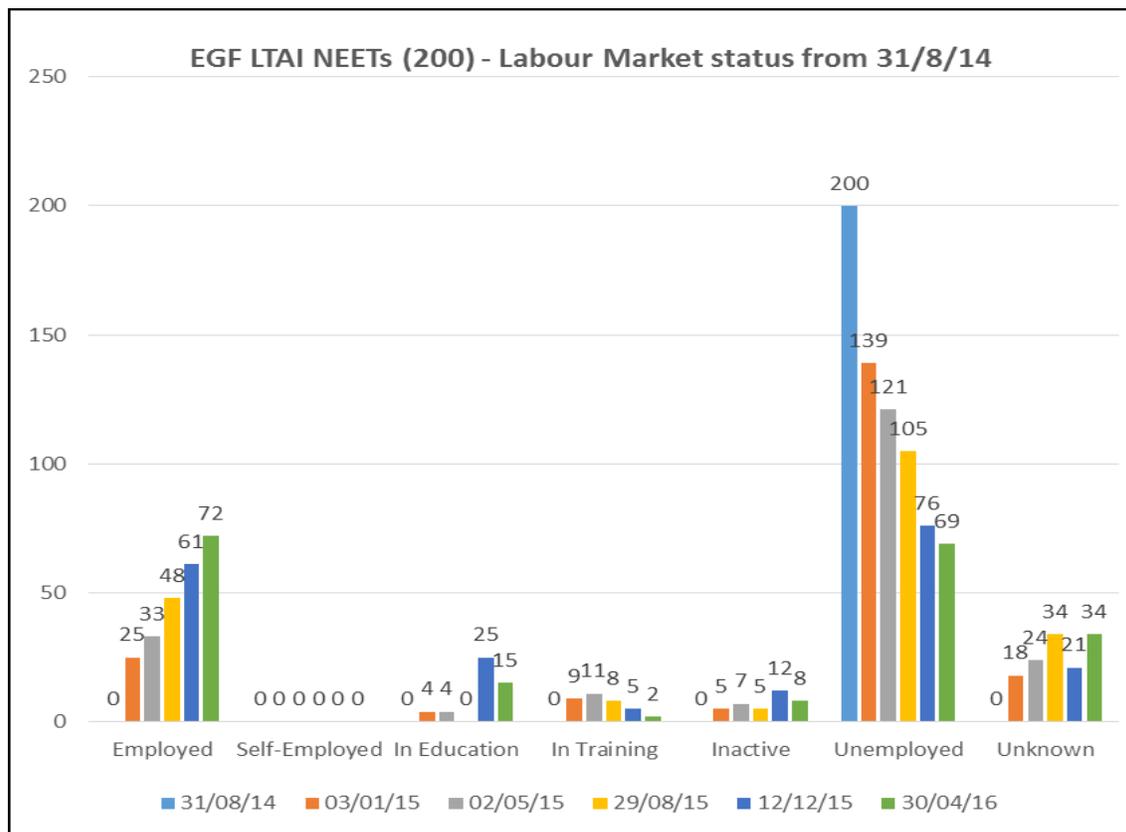


Figure 9: LTAI NEET persons (1st tranche 200) – labour market status 31/8/14 to 30/4/16

(Note: The 'Inactive' category includes those in receipt of Illness Benefit, Carers Allowance, pension, One Parent Family, unemployment payment disallowed. The 'Unknown' category includes all those not in receipt of any DSP DSP unemployment payment and may include persons who have emigrated).

The numbers unemployed from the first tranche has reduced by almost two thirds from August 2014 to April 2016 with just 69 of the original 200 now in receipt of a jobseekers payment. Conversely, the number employed has increased steadily from 0% at August 2014 to 36% at April 2016. 15 of the 200 NEET persons were in education at end April 2016.

5.2.3 EGF Programme NEET Beneficiary/Non-Beneficiary – labour Market Outcomes

The cumulated number of young NEET persons at 30 April 2016 who had benefited from one or more EGF interventions amounted to **150 persons**, 34% of the overall NEET population of 445 contacted to date and 75% of the targeted number of 200 NEET persons.

The employment rate among EGF NEET programme beneficiaries (40%) is significantly higher than the corresponding rate (32%) for non-beneficiaries. Over 17% of beneficiaries were on education or training programmes at end April compared to 1% of non-beneficiaries. **The unemployment rate for beneficiaries was at 27% far lower than that for non-beneficiaries (46%).**

The highest educational attainment level for beneficiaries is generally greater than that of non-beneficiaries with for instance, Leaving Certificate attained rates of 65% and 58% respectively.

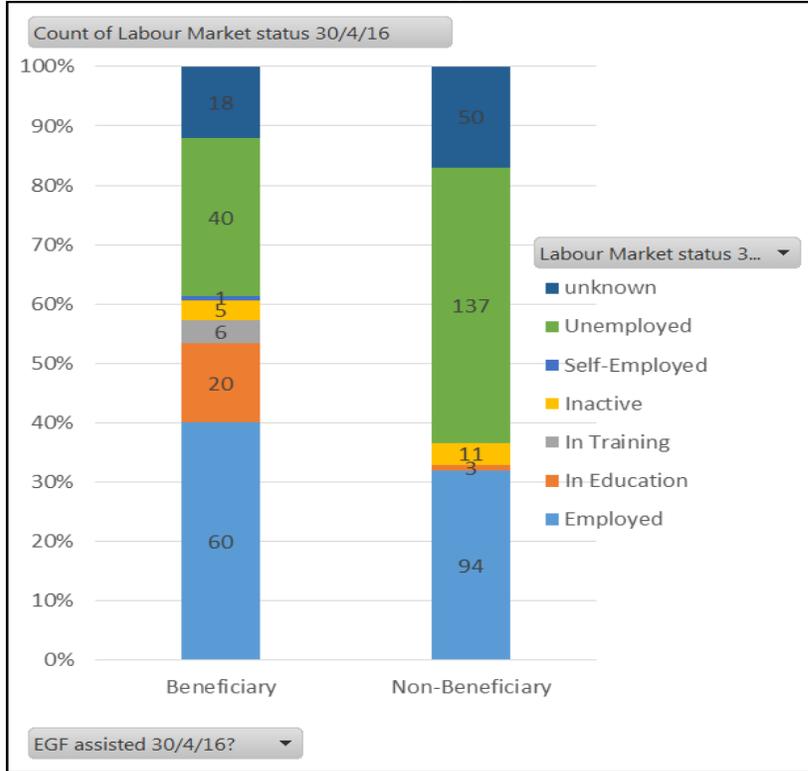


Figure 10: LTAI EGF NEET –Beneficiary (150) and Non-Beneficiary (295) by Labour Market status

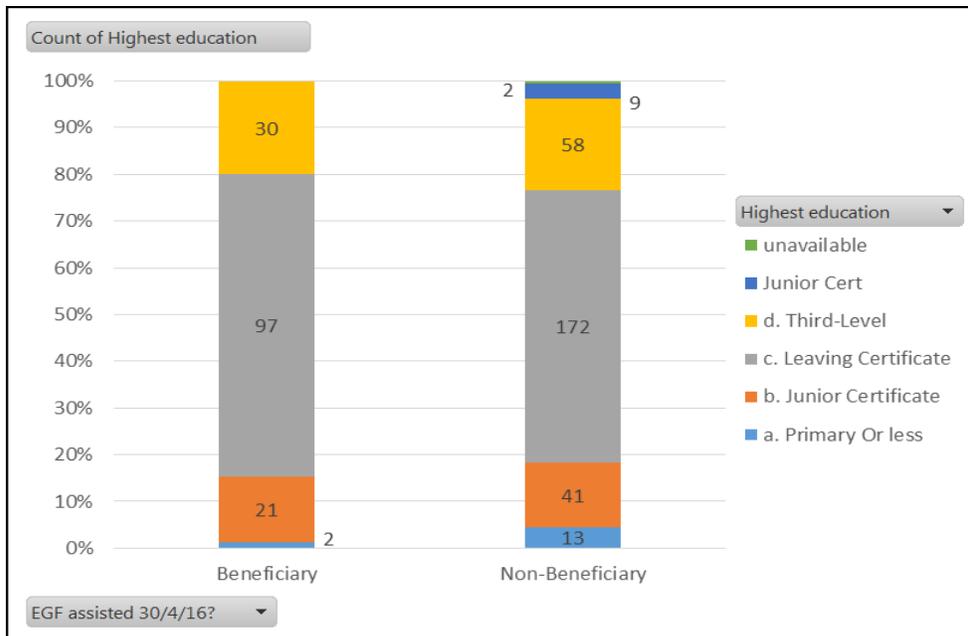


Figure 11: LTAI EGF NEET –Beneficiary (150) and Non-Beneficiary (295) by Highest Education

6. Overview:

The targeted populations availing of EGF programme supports continues to increase with 92% of workers and 75% of NEET persons assisted to date. Whilst it is unlikely that many more workers will engage at this late stage, the EGF Managing Authority is anticipating achievement of close to the NEET target by programme end in September 2016.