

Future employment and skills in the Irish Midlands

BRIEFING PAPER

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1. Introduction and context

From an EU 'NUTS III' perspective, the Midlands region of Ireland consists of four counties, Laois, Offaly, Longford and Westmeath, but parts of the counties of Roscommon, North Tipperary, Kildare, and East Galway could be considered part of the 'wider midlands' located in the central area of the island of Ireland. The area has a population of 299,889 and is mostly rural, with a population density of 46 persons/km² (in 2017). The number of people employed across the region was 109,680 according to Eurostat figures for 2016. The NUTS III counties are home to Athlone, the regional designated growth centre under the Regional Spatial and Economic Strategy and the principal towns of Longford, Mullingar, Tullamore and Portlaoise.

In the first quarter of 2020, the Midlands region had a slightly higher unemployment rate, at 5.2% compared to the national average of 4.7%. GDP per capita in the Midlands region is 37.5% of the national average (€23,002 compared to the national average of €61,369), and disposable income per person (€17,717 in 2016) is 14% below the national average (€20,638 in 2016). Most of the employment in the region is in distributive trades (26.1%) and public administration (25%). Agriculture, forestry and fishing make up 8% of employment, and while this is more than construction (6.7%) and information and communication (3.6%), these primary sector industries are more important symbolically due to the historical importance of agriculture in Ireland and cultural ties to land use.

Job vacancy rates (i.e. the proportion of total posts that are vacant) are increasing¹, with apparent skills shortages in some areas, in line with national trends (e.g. ICT, construction and property professionals). The share of employment in the Midlands region in small and medium enterprises (SMEs) is near 40% of total employment, compared to a national average of 65%². Many of these SMEs are small, employing 10 people or fewer.

The harvesting of peat, or turf as it is called in Ireland, has a long history in the country. It is deeply engrained in generations of families that have used peat to heat their homes and stoves, and for whom 'a day in the bog' is a part of life and tradition. Ireland has extensive peat resources, mainly located in rural areas of the Midlands. In the mid-1930s, the government of Ireland began efforts to formalise and mechanise the harvesting of peat as an energy source for the country.

In 1946, Bord na Móna (the Peat Board) was established as a semi-state company and was responsible for commercially harvesting peat. The land acquired by Bord na Móna extends to approximately 77,000 hectares in the Eastern and Midland region, with circa 140 individual bogs that are organised and managed as Bog Groups. Alongside the peat extraction, a bespoke 700km industrial rail network with 200 railway locomotives and 1,700 railway wagons was created to carry the collected peat from nine counties with peat producing areas to three peat-fired power stations run by the state-owned Electricity Supply Board (ESB): Edenderry, West Offaly and Lough Ree.

The industrial scale extraction of (milled) peat in the Midlands has been used both to supply power plants to generate electricity and to produce peat briquettes for domestic heating. In 2018, peat accounted for 3.9% of the electricity generated in Ireland (figures from SEAI).

2. Current trends and developments

In 2019, 1,743 people were directly employed by Bord na Móna, of whom 1,050 were in the Midlands region. The Bord na Móna-owned Edenderry Power plant employs 45 people, while the ESB-owned Lough Ree and West Offaly power plants employed approximately 75 people. Extra seasonal workers, often local small farmers, are employed by Bord na Móna during the summer months when peat harvesting is at its peak. In the last two decades, employment levels in the peat industry have declined due to a series of voluntary redundancies in Bord na Móna, and this has contributed to an ageing of Bord na Móna's workforce. The age profile of workers is largely over 50 and is characterised by relatively low levels of formal educational attainment.

¹ Country Report Ireland 2019, European Commission.

² House of Oireachtas Statistics, Seanad Public Consultation Committee Report on Small and Medium Sized businesses in Ireland, 2019: https://data.oireachtas.ie/ie/oireachtas/committee/dail/32/seanad_public_consultation_committee/reports/2019/2019-05-16_small-and-medium-sized-businesses-in-ireland_en.pdf

In recent years, Bord na Móna has moved to diversify its business away from a reliance on peat harvesting. In 2007, the company bought a waste recycling company and changed the name to Advanced Environmental Solutions (AES). Approximately 500 people were employed in this part of the business in 2019. In 2015, it began operating the Mountlucas Wind farm on 1,100 hectares of cutaway bog land in County Offaly. The windfarm generates 84MW of electricity per year, enough to power 45,000 homes, and employs around 50 people. Bord na Móna also operates a landfill gas utilisation facility at a site in County Kildare which generates renewable electricity for 8,500 homes. Bord na Móna also has plans to develop solar farms with the ESB in areas of disused bog, and to develop businesses in aquaculture, medicinal herbs, and in the production of birchwater (see also section 6 below).

This diversification away from peat production has become necessary because of the need for Ireland to reduce its carbon emissions, or ‘decarbonise its economy’, as part of the global fight against climate change. Peat harvesting activities have been sustained through government support in the form of a Public Service Obligation (PSO) which forced the ESB to purchase a fixed amount of peat-fired electricity. PSO funding for the ESB’s purchase of peat for electricity generation ended at the end of 2019. As a result, in 2018 and 2019 there was an increase in the number of redundancies made at the company, with the announcement in 2018 of 450 worker redundancies and the closure of 18 active bogs, which later increased to 21 bogs, causing particular upset. In 2019, the ESB submitted an application to the National Planning Authority, An Bord Pleanála, seeking planning permission to transition West Offaly Power Station from peat to biomass from 2020. The application was rejected in July 2019 in part due to an insufficient domestic supply of biomass material.

A review of options for both West Offaly and Lough Ree Power Stations post-2020 revealed no viable business model beyond 2020. Therefore, both ESB stations, which burn two million tonnes of Bord na Móna peat each year, will cease generating electricity at the end of 2020, rather than co-firing with biomass until 2027 as previously planned, with the loss of 90 jobs, although ESB advised that compulsory redundancies were not envisaged. In March 2020, COVID-19 resulted in a significant decrease

in the demand for peat-generated energy, with both West Offaly and Lough Ree Power Stations ceasing production. This resulted in temporary layoff of over 200 staff. The remaining Edenderry plant has permission to co-fire peat with biomass until 2023.

In October 2019, Bord na Móna announced further plans to reduce the workforce and re-opened the voluntary redundancy package. Joint information sessions organised by the Department of Employment and Social Protection (DEASP) and Longford Westmeath Education and Training Board (LWETB), Laois Offaly Education and Training Board and Galway Roscommon Education and Training Board were conducted for employees in November 2019 at Mount Dillon and at Blackwater works, Shannonbridge. In total, 163 workers attended these information sessions. Employees were also invited to sign up for skills audits with LWETB, LOETB & GRETB. These audits are ongoing and future training needs will be determined by the results of the audits.

In April 2020, Bord na Móna announced a further 230 redundancies due to an unprecedented fall in commercial revenues and a collapse in horticultural sales, i.e. peat for the horticulture and gardening sectors, as a result the COVID-19 pandemic. The company said the workers affected would include management, permanent and seasonal employees.

3. Current diversification and decarbonisation plans

The decisions affecting the peat industry in Ireland are taken at different levels: international, national and regional. At the international level, Ireland signed up on 4 November 2016 to the Paris Agreement to reduce its greenhouse gas emissions. Similarly, as an EU Member State, Ireland is party to EU climate and energy targets which are set out in the 2020 climate and energy package, and the 2030 climate and energy framework.³

The overarching national strategy to achieve Ireland’s

³ EU climate strategies and targets, https://ec.europa.eu/clima/policies/strategies_en

international commitments is set out in the 'Climate Action Plan to Tackle Climate Breakdown', which was published in June 2019. According to the plan, by 2030, Ireland aims to generate 70% of its electricity from renewable sources and to have phased out coal and peat electricity generation. Further commitments are made in the areas of transport, waste management, community engagement, (e.g. through sustainable energy communities), as well as in the public sector (e.g. reducing emissions by 30% by 2030).⁴

The government department coordinating the implementation of the plan is the Department of Communications, Climate Actions & Environment (DCCA).⁵

In conjunction with the national Climate Action Plan, the Project Ireland 2040 plan, launched in 2018, identifies 10 strategic investment areas for Ireland and emphasises the need to diversify its rural economy, for example, by improving regional accessibility through national road projects and more efficient public transport networks, supporting rural economies and communities through the development of community hubs, heritage and tourism sites funded by the Rural Regeneration and Development Fund of €1 billion, and by providing farmers with grant support to improve their facilities and equipment.⁵

In the medium term, the Enterprise 2025 Renewed strategy was agreed in March 2018 in response to the challenges of Brexit, a more protectionist and isolationist US trade policy, international tax developments and disruptive technologies. The strategy proposes to deal with these challenges by further supporting the development of Irish-owned companies and SMEs through tax regimes and a competitive funding environment to promote entrepreneurship, by deepening the embeddedness of foreign-owned multinationals through collaboration in research and innovation, and by promoting clustering, collaboration and connections through the Regional Enterprise Development Fund (2017-2020) to harness regional strengths.⁶

Within Ireland, governance is devolved down to three

entities at a regional level (the Southern Region, the Northern and Western Region, and the Eastern and Midlands Region), and then further to local authority level. Each of the three regions (NUTS II) has a Regional Spatial and Economic Strategy (RSES). This is a strategic plan, aligned to Project Ireland 2040⁷, and which identifies regional assets, opportunities and pressures and puts in place policies and recommendations that will better manage regional planning and economic development throughout the region. The Midlands Regional Enterprise Plan (REP) is aligned with the Enterprise 2025 Renewed strategy, the Future Jobs Ireland Agenda, and Project Ireland 2040. The Midlands REP seeks to grow enterprise and build resilience through a range of objectives and actions. It is implemented by the office of the Midlands Regional Enterprise Plan, which comprises local and regional authorities, enterprise development agencies, representation from government departments, private enterprise, Regional Skills Forum and AIT. The office of the Midland Regional Enterprise Plan manages the co-ordination of the Midlands Regional Transition Team⁸. The MRTT has been created to play a central role in the transition process for the Midlands region as it evolves. The MRTT is leading the Midlands Engagement Process, which aims to progress a project and programme inventory to identify initiatives that can assist communities, and groups that are directly affected by the phase-out of peat and related peat power generation. The MRTT has two core objectives, progressed through four discrete work programmes, including:

- ▶ mitigate the impact of the Bord na Móna job losses on individuals and on the local and regional economy by developing alternative forms of employment, and
- ▶ attract investments and maximise existing employment opportunities and resources.

The Regional Skills Forum for the Midlands is comprised of Athlone Institute of Technology, Laois and Offaly Education and Training Boards, Longford and Westmeath Education and Training Boards and First Polymer Skillnet. It works in partnership with industry representative groups, including Enterprise Ireland, IDA Ireland, Local Enterprise Offices, Local County Councils,

⁴ <https://www.dcca.gov.ie/en-ie/climate-action/topics/climate-action-plan/Pages/climate-action.aspx>

⁵ <https://www.gov.ie/en/campaigns/09022006-project-ireland-2040/>

⁶ <https://dbei.gov.ie/en/Publications/Publication-files/Enterprise-2025-Renewed.pdf>

⁷ <https://www.gov.ie/en/campaigns/09022006-project-ireland-2040/>

⁸ The MRTT is managed by the Office of the Midlands Regional Enterprise Plan.

and the MREP office, Department of Employment Affairs and Social Protection and the Construction Industry Federation to respond to the skills needs of the region.

The Department of Employment Affairs and Social Protection (DEASP) has a central role in relation to income supports and in assisting former Bord na Mona employees with seeking new employment opportunities through the Department's Activation services. The main initial focus of the DEASP was to provide information clinics and advice to those employees affected by the redundancies in terms of financial and other supports available through the Department's schemes, initially in terms of financial supports and afterwards in terms of support in returning to work and support in retraining. In conjunction with the Education and Training Boards (ETBs), it organised 14 employee information sessions in 2019 and participated in the Jobs, Skills and Education Fair at Mount Lucas and explained supports available to employers and employees.

The Eastern and Midland Climate Action Regional Office (CARO) works closely with the 17 local authorities in its region on the preparation of Local Authority Climate Change Adaptation Strategies. The regional office is mandated to co-ordinate engagement across the varying levels of government and help build on experience and expertise, capacity building and community engagement.

In November 2019, the DCCAE appointed Mr. Kieran Mulvey, formerly director-general of the Workplace Relations Commission, as the first Just Transition Commissioner to co-ordinate the government's response to an accelerated exit from peat for electricity generation. The Commissioner has a remit to engage with all relevant stakeholders, including the Midlands Transition Team, and to review just transition experiences and provide recommendations. The Commissioner submitted his first progress report to government through the Minister for Communications, Climate Action and Environment, and the report and the Government's initial response to it were published on 22 May 2020⁹, with a detailed Implementation Plan due for publication in the near future.

⁹ https://www.dccae.gov.ie/documents/Just_Transition_Progress_Report.pdf; https://www.dccae.gov.ie/documents/Initial_Government_Response_to_the_Just_Transition_Progress_Report.pdf

4. Key challenges for the Midlands

This section examines the key challenges for the Midlands and what this means for employment and training needs for the region's workforce, focusing in particular on the medium term of the coming five to 10 years. This includes engaging with children in schools in order to foster interest in subjects such as STEM and IT and robotics. At the time of writing, the Covid-19 situation was continuing to have a major impact on employment and in particular the accommodation and food, wholesale and retail and construction sectors. According to the Skills and Labour Market Research Unit SOLAS¹⁰, in the fourth quarter of 2019, there were 38,600 people working in these three sectors in the Midlands region, making up a 29% share of total regional employment. Overall, as at 22 June 2020, 24,700 at the week ending 10 May 2020, 33,292 people in the Midlands (Laois, Longford, Offaly and Westmeath) across all sectors were receiving Pandemic Unemployment Payments, according to CSO data.

At present, it is reported by those interviewed for this paper that the situation is having a negative impact on the employment prospects of former Bord na Móna employees. While it is difficult to predict what the longer-term impact of Covid-19 will be on employment in the region and how it will affect plans to diversify away from peat generation, it is to be hoped that the situation will improve over the course of 2020.

4.1 Reliance on a major employer

As noted in the sections above, Bord na Móna and the ESB have provided significant levels of employment in the Midlands region for over 70 years. Many rural communities and villages emerged in close proximity to Bord na Móna and ESB sites, with some housing estates being purpose-built in the 1950s for workers at bogs and power plants. A supply chain of local supporting service providers also emerged, notably in small engineering enterprises, which has provided machinery, equipment and tools. While there have been initiatives to diversify over recent years, Bord na Móna and the ESB remain the dominant employers in the region. It was estimated by

¹⁰ Regional impact of COVID 19, SOLAS April 2020

the ICTU in 2019 that Bord na Mona paid EUR 89 million in wages in 2018. The accelerated pace of the closures means that the retirement planning of Bord na Móna workers needs to change and there are concerns about pensions.

The skills profile of the workforce is, as a consequence, closely aligned to the needs of Bord na Móna and the three ESB power stations operating in the region. A tradition of a ready supply of employment over generations means that there has been no incentive to reskill or upskill in order to maintain employability. Many third-level students from the region were employed in peat harvesting for the summer months, but this is no longer an option for many.

4.2 Infrastructure issues

Along with many other rural communities, the Midlands faces a range of infrastructure challenges. One of these is a lack of public transport: reliance on private transport leads to heavy congestion on the main road networks in the region. Although the larger towns in the region enjoy a good transport connectivity, including to Dublin, road and rail transport networks are less developed in the rural areas of the region.

The reliability of broadband is also a challenge. There is an overall lack of good broadband speeds, as the region has not reached the EU Broadband strategy objective to extend its Coverage of Next Generation Networks (NGN) of 30 Mbps or more for all citizens by 2020. Lack of access to ultrafast broadband is a particular issue in the more remote rural areas in the region. In order to improve this, ESB has entered into a partnership with Vodafone to provide high-quality broadband accessibility to 15,000 homes. Broadband will need to be improved in the medium term in order to enable remote working and to ensure that the region is an attractive area for business investment.

Poor broadband connectivity is also hampering the provision of online training (see below). The rollout of national broadband will be important in addressing this gap. Ireland's Project 2040 strategy has set an overarching roadmap for the development of the country and places a strong emphasis on digital services and infrastructure. In this context, however, the Midlands

region is not yet as advanced as other regions. According to the Central Statistics Office, 69% of households in the Midlands had a fixed broadband connection in 2019, compared to 92% in Dublin.¹¹

4.3 Attracting inward investment

One of the key means of diversifying the region's economy is to attract inward investment. However, the levels of foreign direct investment (FDI) in the Midlands are among the lowest in the country, especially in Laois, Offaly and Longford. Those interviewed for this report felt that the dependence on peat and power in the region has played a part in stifling FDI and entrepreneurship.

Within the region, Athlone is an exception in that it has benefitted well from foreign direct investment. In contrast, businesses in Tullamore depend more on Enterprise Ireland for support, while County Longford and the town of Mullingar find it harder to attract people and investment. While some stakeholders advocate the "build it and they will come" approach of creating turnkey IDA factories in the Midlands, other stakeholders argue for an approach focused more on existing local businesses and job creation.

The Midlands Regional Transition Team is working on pursuing funding opportunities and initiatives, in order to provide alternative employment for those who are losing their jobs at Bord na Móna and ESB, and to support the region in developing different types of employment. Inward investment is also being encouraged in the following sectors: advanced manufacturing, life sciences, technology, global business services, international financial services, engineering, the promotion of remote working opportunities (e.g. through the Midlands Network of Co-working Spaces) and high quality food products, renewable energy, food products and beverages, tourism, and big data and analytics.

¹¹ <https://www.cso.ie/en/releasesandpublications/ep/p-isshh/informationandsocietystatistics-households2019/householdinternetconnectivity/>

4.4 Ensuring that the skills offer is aligned with demand

Carrying out a skills audit is the starting point for a skills development strategy. The National Economic & Social Council (NESC) recognises the skills audit work carried out in the Midlands as demonstrating how valuable skills audits are in preparing and responding to change¹². Skills audits are a particularly good tool for determining the actual skills levels of workers such as peat harvesters, who have specific skills that could potentially be transferred to other types of work, but who lack formal qualifications.

A comprehensive skills audit was undertaken in collaboration with Longford Westmeath Education and Training Board (LWETB), Laois Offaly ETB and Galway Roscommon ETB in November 2019 at Mount Dillon, Blackwater, Boora, Derrygreenagh, Derrinlough and Kilberry bogs, covering around 300 people. An online form was used where the data was fed back to ETBs training services. Confidentiality was assured and follow up adult career guidance appointments offered if needed.

In the wider regional catchment area, there is a good skills basis and in particular a good level of mechanical skills. Many former Bord na Móna workers have engineering skills, which they are now using in small engineering enterprises, for example in machinery, equipment and tools.

Nevertheless, there are particular skills shortages in areas such as ICT, renewable energy technologies, and construction.

A range of initiatives are already in place to support economic diversification and ensure that the workforce has the necessary skills and competences to meet future skills demand. These include the Jobs, Skills and Education Fair, organised by the Regional Transition Team in partnership with the Construction Industry Federation and the LEO Engenuity Cluster network, and a range of events organised across the region by the Department of Employment & Social Affairs, the Regional Skills Forum, the Education and Training Boards and Citizens Information Boards¹³.

The Regional Skills Forum is a key actor in developing the skills of the region, as noted in section 3 above. The Jobs, Skills and Education Fair, organised by the Regional Transition Team, focus on the construction, engineering and manufacturing sectors, as almost 250 of those at risk of job loss by the Bord na Móna decarbonisation programme have skills sets which are most suitable to these sectors.

Management Practitioner; LWETB Mountdillon - Boom & knapsack spraying; LWETB - First Aid; LWETB - Milling and Turning; and LWETB - Welding.

Skills audit in the German Ruhr district

A skills audit was conducted of the region and workers in the coal and steel industry in the Ruhr district, uncovering a regional 'hidden' knowledge base that was skilled and innovative in renewable technology, energy efficiency, renewable resources, recycling and waste combustion. These skills had been honed after decades of work in building mining components, managing the energy resources needed by the coal and steel industries, and mitigating the environmental waste they produced.

A map of existing and future skills demand was used to set up skills objectives and develop model projects. For each affected worker, an individual re-employment strategy was developed in cooperation with the regional government, the company management, the works councils and social partners. Workers also received qualification/requalification through training and on-the-job certification via the coal and steel companies.

Source: NESC report: Four Case Studies on Just Transition: Lessons for Ireland. Report No. 15, May 2020 <https://www.nesc.ie/publications/four-case-studies-on-just-transition-lessons-for-ireland/>

¹² Addressing Employment Vulnerability as Part of a Just Transition in Ireland, National Economic and Social Council, March 2020.

¹³ These include: LWETB Athlone & BNM Mountdillon - Explore Programme x 3 courses; LWETB - Prince 2 Project Management x 2 courses; LWETB - Prince 2 Project

Further, the Athlone Institute of Technology, in association with the Regional Skills Forum, has made a number of applications for Springboard+ programmes to support the impacted employees of Bord na Móna, should they seek to be re-trained or consolidate their existing skills and competencies.

Digital skills are a key competence and training should therefore focus on building up this skills area. To this end, the Digital Training Hub Athlone provides courses in a range of areas, such as basic computer skills, advanced IT skills (European Computer Driving License), Windows Operating Systems and Networking Fundamentals, and Microsoft Office Specialist (MOS), for employed and unemployed people. The training is fully funded by the Longford Westmeath Education and Training Board and Cenit College, as well as the European Social Fund. Further, the Midlands Skills Centre, opened in 2019 in Tullamore, focuses on the specialist training and upskilling of people who wish to seek employment in the biopharma, medical-tech and electrical sectors.

4.5 Conducting skills training in a rural setting

Carrying out training in a rural area can be challenging, due to difficulties in travelling to training locations. One way of solving this, predicated on the existence of reliable broadband, however, is to offer online distance learning, or a mixture of distance and classroom learning, in a blended learning package. This is not currently being organised in any volume, but could be an area of focus, given the shift to online training and online working that has taken place as a result of COVID-19. According to interviewees, the migration of courses online so far has worked very well and courses have filled up quickly. The view so far is that it has been a good exercise for people to conduct and receive online training.

Longford and Westmeath are particularly rural counties, but the ETBs have much experience of working in a rural setting. However, ETB interviewees noted that the COVID-19 restrictions have made it harder for ETB staff to work to the same level of productivity, and it is also more difficult for teachers and instructors to run cohesive classes. The situation is further exacerbated by the poor broadband connectivity in the region (see above).

4.6 Encouraging entrepreneurship

The encouragement of entrepreneurship is closely linked to economic diversification and attracting inward investment into the region and will underpin the region's growth over the coming five to 10 years. The Midlands Regional Enterprise Plan to 2020, launched in February 2019, aims to grow business in the region and create new employment opportunities, based on seven key objectives including: supporting the transition to a low carbon economy and renewable energy; developing big data and data analytics; positioning the Midlands as an advanced manufacturing centre of excellence; enhancing the profile of the region as a place in which to live, work, invest in and visit; harnessing the potential of the food and beverage industry in the region; and ensuring the availability of skills and talent to realise the area's economic potential and address upskilling requirements.

The regional population has already demonstrated its entrepreneurial spirit, with many former Bord na Móna employees having set up their own businesses. In order to build on this and encourage entrepreneurship further, a range of initiatives are in place. These include the Idea Generation Bootcamp, where successful entrepreneurs and businesses from the region shared their stories of how they developed their businesses from a Midland location, as part of the Jobs, Skills & Education Fair.

More widely, Local Enterprise Offices (LEOs) encourage entrepreneurship at local level, serving as a first-stop-shop to support small businesses on financial aspects, providing advice on starting and growing a business and training services. Micro and small companies are reported to be happy with the support from LEOs.

4.7 Entrepreneurship training

Those who wish to move from employment into setting up their own business – and there is a great deal of evidence of appetite for this in the Midlands region – need to consider a range of factors if they are to succeed. For example, they need to be aware of and deal with issues such as managing regulation and finance, undertaking market research, and developing and implementing a business plan. It is therefore important that they receive appropriate support in these areas.

There are already significant educational assets in the Midlands that are well-placed to support entrepreneurship. The 2020 Just Transition Progress Report notes, for example, that the Athlone Institute of Technology, with its Innovation Hub and Maynooth University, “are and will be central to the innovative entrepreneurial capacity of the region”.

4.8 Keeping things local

The proximity of the Midlands region to other areas, and in particular Dublin and the surrounding region, means that there is always the danger that workers will start to commute to other locations in order to seek work. At present, an estimated 24,000 people are estimated to commute outside of the region every day for work and educational reasons.

One way of encouraging people to stay in the Midlands region and also making it easier for those who are already commuting to come back to work in the region, is to set up remote working and co-working hubs. The Midlands Network for Co-working facilities (MNCF) is focusing on providing mechanisms to potential clients looking to relocate outside of the main urban areas and large cities and offer their employees the possibility to work closer to their homes. The provision of fast broadband will, of course, be key to the success of this.

5. Good practice examples from other countries

Many regions across the EU are facing similar challenges to those faced by the Midlands: many are in the midst of dealing with the shutdown of carbon-based fuel extraction, such as coal, and trying to support the workers that are directly affected by this while also trying to plan for economic diversification and the transition to greener energy production. While each region is unique in terms of its history, infrastructure and other characteristics, there are many shared challenges and an overview of the ways in which other regions are dealing with this may help the Midlands in its own strategy. This section contains a selection of examples from other countries. Further details of all of these cases can be

found in the NESC report: Four Case Studies on Just Transition: Lessons for Ireland. Report No. 15, May 2020: <https://www.nesc.ie/publications/four-case-studies-on-just-transition-lessons-for-ireland/>

5.1 Phase-out of hard coal mining in the German Ruhr Valley (Ruhrgebiet)

The Ruhr District is a large, densely populated and heavily urbanised region in the German state of North Rhine-Westphalia (NRW). The Ruhr developed economically through its historical dependence on coal mining, coal power generation and coal-reliant heavy industries such as steel production: hard coal has been central to the culture of the state of NRW and Germany for 200 years. From 1990, Germany started to reduce coal subsidies, which led to a tripartite agreement in 2007 to completely phase out hard coal mining in the Ruhr and adjacent regions by 2018. Employment in hard coal mining in the area was radically downsized, from 473,000 in 1957 to 11,448 by the end of 2013 and then to zero by 21 December 2018. The area has undergone permanent structural change over the last 60 years. It has achieved a fundamental transformation from coal production and steel to a knowledge-based economy in a region of 5.4 million inhabitants that, until 1962, had no university. The regional economy now has a diverse profile, including environmental compliance, eco-tourism, several leading universities, renewable energy manufacturing and high-tech hubs.

Relevance for the Midlands

The Ruhr shows that the phase-out of coal mining is possible in a just way, with an emphasis on no worker left behind, clear social benefits for a region and environmentally sustainable alternatives. The Ruhr is also an example of a just-in-time just transition policy that phased out fossil fuels in a socially responsible manner in keeping with the Paris Agreement requirement to keep emissions below 2 to 1.5 degrees Celsius

5.2 Phase-out of lignite mining and coal-fired power generation in Lusatia, Germany

Lignite, or brown coal, is the lowest rank of coal and a highly inefficient fossil fuel due to its high moisture content. The process of lignite mining requires surface, open-cast mining that can have a dramatic impact on the landscape. The region of Lusatia has already undergone much restructuring, with the reunification of west and east Germany. Work in lignite mining was a source of pride as it powered eastern Germany, but reunification and privatisation in 1989 meant greater competition, with higher productivity levels in the West. This led to a 90 per cent drop in employment within 10 years. In 1990, 80,000 people worked in the Lusatian lignite industry, dropping to 20,000 by 1995. At present, the remaining four mines and four power plants in Lusatia are owned by Czech energy company LEAG, which operates four open-cast mines. Overall, in Lusatia 13,245 jobs are directly or indirectly related to the brown-coal sector. Direct jobs in the energy sector in Lusatia are of high quality and are paid well compared with other employment prospects in the region. Under the Coal-Exit Commission, a number of employment and skills recommendations for federal actions have been put forward for the region, which include: job guarantees for employees and apprentices, including binding collective agreements to ensure placement in skilled jobs and compensation for lower wages and provide apprenticeships and further training; compensation for financial losses or early retirement; assistance in obtaining adjustment benefit; and compensation for pension deductions or other early retirement factors.

Relevance for the Midlands

The choice of compensating companies for potential profits forgone has been one of the most significant criticisms of this phase-out. Energy-intensive companies will also be compensated if their running costs increase when cheap lignite is phased out, which also discourages energy efficiency measures and undermines potential carbon taxes. This leads to a precedent for very expensive 'just transition' that cannot be afforded by developing countries.

5.3 Hazelwood, Latrobe Valley, Australia

Hazelwood power station is an example of a short-notice closure in a small community largely reliant on one source of fossil-fuel employment. Australia is one of the world's top four coal-producing countries but is also already suffering the negative effects of climate change. This disconnect has been a source of major debate in the country. Latrobe Valley's persistent decline had been the subject of numerous studies and campaigns after privatisation of the national power industry in the 1990s. The government had responded with investment packages that focused on attracting large-scale replacement industries to Latrobe Valley to boost economic development in the region through tax incentives and grants. There was little job growth from 1996 but this began to change from the mid-2000s with increased state investment in civil service employment such as state government offices, healthcare and a university campus.

Official announcement of the closure of the Hazelwood power station was made in November 2016: a staged closure had been expected but the announcement foresaw a complete closure with only five months' notice. This came as a shock to workers, the local community and government as no prior discussions had been held with workers or the community. For directly affected workers in Latrobe Valley, there was a structural adjustment package, which offered help in accessing existing training opportunities. Job placement programmes were offered as the regional structural adjustment plans but these were criticised as they were deemed likely to have the unintended effect of further disadvantaging the region's least skilled workers. This highlighted the need for a regional strategy that addressed wider job creation, rather than a narrow focus on those workers that had directly lost their jobs in the closing stations. So far, according to the Latrobe Valley Authority, 865 people have been employed through a back-to-work scheme and 962 jobs created through an Economic Facilitation Fund, 135 community projects have been supported through a Community Facility Fund, and 1,434 workers have been supported through a Worker Transition Service.

Relevance for the Midlands

This case shows that transitions are complex and take time, as they involve a wide range of economic, political and social factors. It also shows that social dialogue is an effective mechanism for fostering trust and adopting a problem-solving approach to transition. As such, it fosters shared understanding, enables the exchange of difficult facts, such as the scale of closures, supports delivery and encourages a problem-solving approach. Overall, Hazelwood is quite a positive example of just transition, but this requires preparation. It also shows that an inclusive approach is necessary, with an overall focus on regional development rather than just the directly affected workers.

6. Key areas of employment and skills training

Finding alternative employment for workers, matching skills to vacancies and organising training to ensure that workers have the right skills to work in the new and diversified regional jobs market are all central to supporting workers. The Midlands region is already offering a range of targeted interventions in these areas, which are set out below. It is important to build on this in order to ensure the development of the region over the coming five to 10 years.

The European Commission notes in its 2020 European Semester country report for Ireland (Annex D), that key areas of investment for the Just Transition Fund from 2021 to 2027 could include the following: upskilling and reskilling of workers; job-search assistance to jobseekers; productive investments in SMEs, including start-ups, leading to economic diversification and reconversion; the creation of new firms, including through business incubators and consulting services; investments in research and innovation activities and fostering transfer of advanced technologies; investments in the deployment of technology and infrastructures for affordable clean energy, in greenhouse gas emission reduction, energy efficiency and renewable energy; investments in enhancing the circular economy, including through waste prevention, reduction, resource efficiency, reuse, repair and recycling. These are all key

areas in which investment will support the medium-term transition of the Midlands region.

More widely, as a rural community, the Midlands has a key role to play in helping to address some of the major challenges in the coming years, as identified in the Midlands Engagement Process¹⁴. These include climate change, sustainable energy production and resource utilisation, protection and preservation of the environment and biodiversity, safe and secure food production, and demographic change. Rural communities also need to adapt to take advantage of changing social and consumer behaviour and expectations, such as remote working, holidaying closer to home, and demand for local sourcing of products and services. Drivers of change include digitalisation, innovative and sustainable tourism and the circular economy. If the Midlands can successfully diversify its local economy and develop and grow new and existing enterprises, it will be in a strong position to provide alternative employment opportunities for the future.

¹⁴ Midlands Regional Transition Team (2020), Midlands Engagement process

Supporting workers in Australia

In Australia, the federal government pledged A\$43 million to support the Hazelwood power station workers, which included A\$20 million in support for local infrastructure, A\$3 million to help employees (financial counselling, assistance with CV writing, and advice on job seeking) and a A\$20 million Regional Jobs and Investment Package. The Australian Prime Minister also created a Ministerial Committee to coordinate and oversee the federal government's response.

Source: NESC report: *Four Case Studies on Just Transition: Lessons for Ireland*. Report No. 15, May 2020 <https://www.nesc.ie/publications/four-case-studies-on-just-transition-lessons-for-ireland/>

6.1 Supporting those at risk of redundancy

Providing immediate support to those who will lose their jobs in the short term is extremely important. This includes a range of elements and it helps considerably to have financial backing from central or local government.

In the Midlands, in order to provide advice and guidance to those at risk of losing their jobs, Bord na Móna has developed the following programme of employee support in partnership with members of the Midlands Regional Transition Team (MRTT). It offers all the core support mechanisms that should be offered to workers in order to help them to explore their options and make future choices. These include information on tax, future options in general, retirement planning, upskilling and reskilling, career counselling and advice on how to best oneself to best advantage, help with CV and interview preparation, help with job seeking and preparing for job interviews, and mental health support. See the figure below.

6.2 Skills for the renewable energy and environmental sectors

Renewable energy and environmental sectors are growing industries that need workers with a range of skills. These sectors will be the focus for the wider economy over the medium term, and there are a number of initiatives in place in the Midlands region that can potentially provide employment for Bord na Móna workers. For example, there is a large programme underway to retrofit social housing in the region in order to make it more energy efficient¹⁵. The DEASP has linked with the Sustainable Energy Authority of Ireland (SEAI) regarding skills requirements for retrofitting jobs, with further linkage with Regional Skills Forum and ETBs.

Retrofitting housing will need some higher level trade skills, such as plumbing and wiring, which would be difficult to acquire in a short space of time. However, there are a range of medium-skilled tasks, such as the installation of external wall insulation, in which former Bord na Móna employees could be trained. The challenge here is that it does not currently assist Bord na Móna employees because they do not yet have the necessary skills and there is no ‘social clause’ in place that gives Bord na Móna employees priority to undertake this work,

¹⁵ Midlands Deep Retrofit Housing Programme, with €20 million of government funding



Source: Employee Supports, Bord na Mona

despite this being a demand from trade unions.

Nevertheless, a range of relevant courses have been developed. For example, LOETB has developed a retrofit programme for former Bord na Móna employees which focuses on deep retrofit measures. This is a six-day Skills to Advance programme that offers the trainee an opportunity to gain QQI Level V Certification in Thermal Insulation Installation as well as associated technical skills. LOETB is also planning to offer training on the Nearly Zero Energy Building Standard that has been introduced to the Building Regulations. LOETB is also offering a range of other courses, for example in

biodiversity and the natural environment. ETBs have been praised by interviewees for their courses in this area. There have also been courses run on geothermal systems, solar panel installation and energy-efficient boiler installation

In addition, the national Springboard+ programme allows individuals to access post-secondary level education at Institutes of Technology up to level 6 on the Irish National Framework of Qualifications. These Springboard+ courses are being made available to Bord na Móna employees, and Athlone Institute of Technology in particular has been promoting this.

Employment and energy transition in Germany

At national level, energy transition in Germany has had a positive effect on employment: new employment in the renewables sector outnumbers job losses in conventional energy. The installation of renewable energy systems such as wind and solar also offer economic potential for coal regions. A study by the Institute for Ecological Economy Research (IÖW) shows that, in the Lusatian region, approximately 3,900 jobs in the mining industry could be fully substituted by the renewable energy sector at the state level. However, only around 800 of these new jobs would be created directly in the municipalities where the coal mines are located. Similar projections have been made for the Rhenish coal mining area, where 4,500 coal jobs could be replaced with jobs in the renewable sector. However, again, only 800 of those are directly in the municipalities where coal mines and power plants have been located.

Source: NESC report: Four Case Studies on Just Transition: Lessons for Ireland. Report No. 15, May 2020 <https://www.nesc.ie/publications/four-case-studies-on-just-transition-lessons-for-ireland/>

6.3 Matching jobseekers to vacancies

One key aspect of skills initiatives is the formalisation of existing experience and skills, which will ensure that

Worker Transition Service in Australia

A Worker Transition Service (WTS) was set up in Australia to support the workers at the Hazelwood power station and surrounding businesses, following the closure of the power station, announced in 2016. Services offered to workers included upskilling, retraining, skills accreditation, financial advice, and mental health counselling support, provided on a walk-in, open-door basis. The service was available to all employees of Hazelwood power station and mine, Carter Holt Harvey Morwell timber mill, associated contractors, supply-chain employees, and their family members. By April 2018, 1,141 workers and their families had been retrained to find new jobs.

Source: NESC report: Four Case Studies on Just Transition: Lessons for Ireland. Report No. 15, May 2020 <https://www.nesc.ie/publications/four-case-studies-on-just-transition-lessons-for-ireland/>

workers will have the capacity to fill the vacancies that open up in the Midlands in the short and medium term. Many of the former Bord na Móna workers involved in peat harvesting are skilled but lack formal qualifications.

The DEASP works proactively with employers to assist them with a range of supports and services when they are seeking employees to work in their organisations. For example, it has provided linkage with new employers in the Midlands area that are offering alternative employment and offered advice on DEASP supports to employers. For example, Lumcloon Energy Ltd has begun construction of energy storage facilities, which is expected to provide 120 jobs during construction and 10 jobs when operational.

There is a significant amount of training taking place in the Midlands at present, including internal training in Bord na Móna. ETBs are providing a huge array of training, but they report being stretched by a range of different requirements and wishes of various stakeholders. In the view of the ETBs, there is also a lack of coherence in some cases between requests for ETBs

to provide specific training and the creation of publicly-funded schemes that are intended to generate and provide employment. For example, training programmes are provided in the nearly Zero Energy Buildings (NZEB) and retrofitting sectors, but the Government schemes to promote these sectors procure services and workers through a competitive public procurement exercise, thereby offering no certainty to those who complete the training.

A two-tier approach is one way of covering all needs: assessing current skills levels and formalising them as much as possible will ensure that workers are in a position to move into alternative areas of the economy as quickly as possible, using skills that are transferable. This could include moves to construction and manufacturing. In parallel, building up skills levels for workers by offering more specialised skills training would help workers to fill vacancies that will open out in the medium term (five to 10 years) as the Midlands' economy diversifies. This requires some foresight and cooperation between the parties involved in the development of the region. It also requires ongoing updating of skills forecasting and alignment of the training offer.

German Ruhr district early-retirement scheme

In the German Ruhr district, a generous early-retirement scheme was set up that paid more to underground miners and compensated younger retirees for age-related gaps in their retirement pensions. Underground workers aged at least 50 and surface workers aged at least 57 who will lose their jobs due to the closure of mines prior to 1 January 2023 will receive adjustment benefits as a form of transitional assistance for a maximum of five years until they are eligible for pension-insurance benefits.

Source: NESC report: *Four Case Studies on Just Transition: Lessons for Ireland*. Report No. 15, May 2020 <https://www.nesc.ie/publications/four-case-studies-on-just-transition-lessons-for-ireland/>

6.4 Training workers for further deployment at Bord na Móna

Bord na Móna intends to keep on a number of workers over the coming three to four years in order to work on peatland rehabilitation and restoration projects. These will be overseen by Bord Na Móna, which will focus on the implementation of restoration works on nine raised protected bogs in the region and undertake the restoration works.

In order to support this, LOETB is offering an Enhanced Peatland Rehabilitation Traineeship for these individuals. Current difficulties centre on obtaining a licence for peat harvesting in the current summer period.

6.5 Upskilling/training opportunities

Given the fact that a significant proportion of the workforce is relatively low-skilled, upskilling and training needs to be a key part of the Midlands' development

strategy over the short and medium term. Different types of workers face different issues, depending on factors such as age and skills level:

- ▶ **Older workers** face specific challenges in terms of ability and willingness to participate in training and learning new skills, including digital skills. Many are in their 50s and have worked for Bord na Móna for their entire working lives; some may be just a few years from retirement and therefore would not have a high incentive to learn new skills and move to a different industry. However, some initiatives have been put into place to develop the skills of older workers. For example, the Explore initiative for former Bord na Móna staff focuses on upskilling older employees in manufacturing, in areas such as digital skills, personal development and preparation for change. The programme was delivered by LWETB & LOETB following funding application by Regional Skills Forum and is reported to be very well received by the participants. Interviewees note that it is important to encourage older workers in particular to take part in some type of training activity, ‘to do something’, rather than slip into a mentality that they are too old to engage in any further training or take further job opportunities. Many of the training programmes rolled out since October 2018 have therefore been about stimulating workers to attend a course and to think about learning new skills, with basic literacy woven in as part of this.
- ▶ **Younger workers** have the bulk of their working lives ahead of them and it is therefore crucial that they are equipped with the right skills to move forward into new sectors. Initiatives here involve LOETB’s Traineeship Programmes for Bord na Móna employees during 2020 and 2021, collaborating with Bord na Móna. These programmes aim to facilitate the upskilling of employees while ensuring business continuity for the company. Other skills enhancement courses offered by the ETBs include: basic IT, welding, industrial electrical skills, milling and turning skills, first aid, bicycle mechanics, and supervisory and management skills. These were reported by interviewees to be working well, although a more advanced level of training is also needed. For example, there is a need for more advanced welding training, which would give workers a transferable qualification

and significantly increase their chances of finding work elsewhere. Programmes in development by ETBs include: a rural enterprise traineeship, good manufacturing practice, HGV driving and theory test training, programmable logic controllers, adult literacy support, welding courses, a sustainable agriculture traineeship, and the establishment of a digital learning hub at Longford to expand LWETB’s Digital Hub offerings to three hubs across the midlands located in Athlone and Mullingar. LWETB delivered Prince 2 project management and Prince 2 practitioner courses to Bord na Móna employees.

- ▶ **Future generations.** Given that Bord na Móna has traditionally provided employment to generations of workers, it is important to fill this gap by diversification so that the spouses, children and grandchildren of current workers have secure employment in the region. This will prevent flight from the region to the surrounding areas in the search for employment. In this context, it is crucial to work with primary and post primary schools in the region. A good example of this is the VEX Robotics projects that Offaly County Council is running in partnership with the Department of Rural and Community Development and Cork Institute of Technology. This project, which is being run in 16 primary schools in the county, enables 5-12 year-olds to learn about STEM in an engaging way. The pupils design, build, code and compete with their robot, giving children an opportunity to learn about engineering and robotics while having fun.¹⁶

It is also important to bear in mind that the vast majority, over 90% of employers in the region are SMEs. There therefore needs to be a focus on the needs of these smaller companies in order to support them and keep them viable, and to make sure that the Midlands communities continue to exist. It is also important to note that both Bord na Móna and ESB have had a tradition of recruiting apprentices, and therefore this source of training and employment will no longer exist for the communities in the future.

¹⁶ <https://www.offaly.ie/eng/News/Shaping-Offaly%E2%80%99s-Smart-Future-with-Primary-School-children-through-Science-Technology-Engineering-and-Mathematics-STEM-using-VEX-IQ-Robotics.html>

6.6 New jobs in alternative new sectors

One key strand of an employment support strategy is helping as many of the affected workers as possible to seek find employment in alternative sectors. Developing new sectors and expanding the sectoral offer is also at the heart of regional diversification strategy, with possibilities including renewable energy (wind and solar energy), the circular economy, the food and drink sector, IT, and tourism.

Just Transition Commissioner, Mr. Kieran Mulvey also emphasised in his May 2020 Just Transition report that the emphasis for future growth in the region should be on developing the Midlands' capacity for renewable energy and should aim to become a hub for green energy. It should also try to develop a profile as a second location for businesses based in coastal cities such as Dublin, Limerick and Galway.

Many of the skills that workers already have can be adapted to sectors such as construction, engineering and manufacturing. To this end, much training is already underway. For example, Laois and Offaly ETB (LOETB) has run a range of courses that aim to teach workers relevant skills.

Involving and working with existing and potential employers is also key. Offering incentives to employers to hire redundant workers can be effective in some circumstances. For example, in Australia, the Victoria regional government provided employers with payments of up to A\$9,000 to hire and train unemployed people in the Latrobe Valley.

In order to expand and diversify, Bord na Móna has put into place a decarbonisation programme entitled *Extend the Core and Scale the New*. This includes a range of elements as follows, within the framework of the company's Brown to Green strategy:

- ▶ The development of an anaerobic digestion plant that could treat up to 80,000 tonnes of non-hazardous, biodegradable, organic materials per year
- ▶ The development of aquaculture and herb trials at Mount Lucas, Daingean, County Offaly

- ▶ The harvesting of birch water at Derraghan in County Longford. All trials have involved significant investment from Bord na Móna in terms of capital investment and upskilling employees to facilitate birch water harvesting in particular.

Further, the implementation of the National Parks & Wildlife Service (NPWS) Bog Rehabilitation Programme will be overseen by Bord Na Móna, which will focus on the implementation of restoration works on nine raised protected bogs in the region and will undertake the restoration works.

NPWS has indicated that this rehabilitation programme could provide for up to 70 jobs in the Midland region across a range of professions, including machine operators, engineers, hydrologists, ecologists, environmental scientists, site supervisors, community liaison personnel and in evaluating amenity development potential.

Sustainable tourism is a future growth area, in the context of holidaying-at-home ('staycationing'), where a holiday is formed around daytrip leisure activities within driving distance of the home. This may develop further in response to Covid-19, as people may wish to minimise longer journeys. In terms of developing tourism in the region, the Lough Boora Discovery Park (LBDP) is recognised as an outstanding and well-known example of the potential to develop sites that have biodiversity value as well as wider value for amenity and tourism. Bord na Móna is also contributing to strategic projects such as the National Outdoor Recreation Plan, Lough Ree and Mid Shannon project and the Midlands Cycling Destination project as well as supporting the work of the Offaly Tourism Forum and many projects in partnership with local communities¹⁷. This could support employment in the medium term and some training courses, for example bicycle maintenance, are being developed in order to support this. Many former industrial regions have successfully transformed parts of their industrial landscape into tourism parks. It should be stressed, however, that tourism alone is unlikely to be able to replace the jobs lost in the peat harvesting and energy industry.

¹⁷ Department of Culture, Heritage and the Gaeltacht, National Peatlands Strategy. Progress Report 2017.

6.7 New ways of working: remote working, innovation hubs

Diversification of the economy and an increase in the use of digital technology goes hand in hand with new ways of organising working. The Midlands has already established a Midlands Network of Co-working Facilities, comprising over 20 facilities across the region, which are

able to provide flexible working solutions. The region is also exploring opportunities to provide additional enterprise space in impacted bog communities as facilities become vacant. This is vital in terms of supporting and encouraging entrepreneurship and the development of small businesses. The quality of broadband is a concern that was echoed by all of our interviews. One way of dealing with this is to create digital hubs, and there have been many proposals for the creation of these hubs. Opportunities also exist for remote working via Community Hubs. For example, Offaly plans to provide Free WiFi/Broadband in 20-25 community hubs (community halls and centres) via Broadband Connection Points and WiFi4EU funding¹⁸.

The Lewarde Mining History Centre in France

The Lewarde Mining History Centre is an important example of how cultural heritage has been preserved while opening up new economic opportunities for the region. The Mining History Centre is located on the old Delloye colliery yard, Hauts-de-France, and opened in 1984. Its mission is to preserve mining culture and to make this heritage accessible to the public. To fulfil this aim, the centre consists of three departments: i) the museum, ii) an archive, and iii) a science and cultural centre. The centre also offers additional cultural, scientific and educational activities. It explicitly aims to develop and promote the attractiveness of the region to its inhabitants and national and international visitors.

The centre is now France's largest mining museum and was classified as a World Heritage Site by UNESCO in 2012. It welcomes 150,000 visitors each year and is 50% self-sufficient. It is the most visited site in its region.

Around 100 employees work today in the centre (guides, curators, archivists, administrative workers, cooks, waiters, security agents, technical agents). Following its foundation, the centre employed 40 former miners as tour guides, four of whom still work for the institute. These former coal miners were asked to donate their old mining gear for the exhibits, fostering local ownership of this project.

https://ec.europa.eu/energy/sites/ener/files/documents/the_lewarde_mining_history_centre_-_platform_for_coal_regions_in_transition.pdf

¹⁸ <https://ec.europa.eu/digital-single-market/en/wifi4eu-free-wi-fi-europeans>

New growth sector	Potential employment opportunities	Potential challenges
Renewable energy investments	Potential to create skilled and well-paid jobs and reinvent the region as a clean energy hub	Potential for local supply chain jobs can be relatively limited. Skilled work may be carried out by workers who are not locally based
Sustainable tourism	Opportunities for a wide variety of jobs in leisure and heritage and recreation areas such as the Lough Boora Discovery Park, Shannon Wilderness Park, Midlands Cycling Destination	Numbers likely to be relatively limited in short term, although a number of projects, including eco-tourism projects, are underway
The bioeconomy and biodiversity	Some jobs could be created in biodiversity and eco-related projects, including horticulture. Using natural products to provide input into agrifood may also provide employment	The number of new jobs is likely to be small at present. Bioeconomy jobs may be technical and specialised, therefore requiring targeted training
Food and drink	Potential for many new jobs if the sector can be developed	Dependent on the development and implementation of the Regional Food and Drink Strategy. Food and drink also needs to recover from the current COVID-19 crisis
Information technology and digital technology	Potential to create numerous skilled jobs in new ICT fields, including big data	Training offer needs to be closely matched to vacancies. Risk of these jobs being filled workers from outside the area
Back office functions for businesses in other locations such as Dublin	Opportunity for second site locations in the Midlands and creation of managerial, professional and administrative positions	Attracting investment may be a challenge. This may be easier in the eastern parts of the region, where back office functions for Dublin businesses already exist
Retrofitting and energy efficiency	Potential for the employment of former BnM employees and others made redundant	Available workers may not have all of the technical skills needed for the work on offer
Bog rehabilitation	Creation of around 70 jobs in a variety of professions	Employment limited in scope and in duration – limited to the medium term
Construction, engineering and manufacturing	Skills can be transferred if supported by targeted training	Training programmes need to teach transferable, medium-levels skills rather than basic skills

Table 6.1: New growth sectors and employment opportunities/challenges

This table sets out potential new growth areas and the potential employment opportunities and challenges associated with these.

7. Recommendations

This section contains a set of recommendations for building a sustainable community based on a more diverse economic area and a workforce with relevant skills in the short and longer term. It should be stressed that although immediate support is vital to help those who have lost their jobs, the bulk of the planning should be directed towards medium-term initiatives in order to provide a stable employment environment for the region and its workers over the coming 10-year period.

7.1 Involvement of all relevant and interested parties

All relevant and interested parties – local authorities, local development companies, trade unions, employment and training boards, enterprise development agencies and the LEOs, government departments, and skills providers and individuals – should be involved in drawing up and implementing plans for the region’s future, coordinated by the Midlands Regional Transition Team. Given the range of interests at stake, priorities will vary: therefore, arrangements based on partnership working should be set up in order to effectively resolve any issues and foster joint working and problem-solving. It is particularly important to bring together all interested parties in order to create networks and partnerships. This will ensure buy-in and acceptance of plans more widely across the community. It is vitally important that all relevant stakeholders are involved, even if this leads to very broad discussion due to efforts to reconcile different priorities and immediate concerns. It is only by having all of the stakeholders in the room together that long-term, cross-cutting solutions to the issues facing future generations can be planned.

The social partners can play a key role here: trade unions and other stakeholders have played an important role in supporting local communities in some of the examples examined here from around Europe and further afield. In Australia, for example, trade unions played a major role in the development of just transition proposals, alongside environmental NGOs, community groups and local businesses. In the Lusatia region of Germany, the trade union movement negotiated strong structural adjustment supports during the Coal-Exit Commission’s

meetings, which contributed to regional social acceptance of the phase-out. The Midlands can take inspiration from the involvement of partners in the case studies showcased here.

7.2 Short- and medium-term measures

In terms of short-term measures, Mr. Kieran Mulvey, Commissioner for Just Transition, has praised the Department of Employment Affairs and Social Protection, the Regional Skills Forum and the ETBs for their work in reacting to the skills assessment / identification, personal options and other course provision for Bord na Móna and ESB workers in the immediate aftermath of the decision to close the plants, noting that this has been ‘*superb*’ (2020 Just Transition Progress Report). In order to ensure that workers continue to get the help that they need, and that the longer-term prospects of the region are taken into account, support should be divided into:

- ▶ short-term measures that seek to address continuing immediate needs associated with job loss. This will ensure that those in acute situations will be able to access the help that they need, depending on their situation. This is an immediate response, akin to treating symptoms, and may need engagement over a period of time rather than one single intervention; and
- ▶ medium-term measures that aim to assess and respond to the longer-term skills needs of the region. The five-to-10-year focus is likely to be centred more on service provision than manufacturing and therefore training and skills development should build on this. It is also important to work in schools in order to develop an interest in areas such as STEM subjects, IT and future-orientated subjects such as robotics.

This will ensure that support has a chance to make the most impact, both in terms of individual workers at present and the wider community in the longer term.

7.3 Engaging with individuals

Developing a holistic and tailored approach to engaging with individuals is very important. This should include concern for mental health. It is clear that needs and competences vary considerably depending on the particular circumstances of individuals, and that this is an emotive issue for the region. Support packages can include a range of measures, including skills development, welfare support, advice and guidance on jobsearch and entrepreneurial support. There is a clear difference between workers in their 20s and 30s, who have the bulk of their working lives ahead of them, those who are in mid-career in their 40s and early 50s, and those coming towards the end of their working lives in their mid- and late 50s.

7.4 Managing expectations

Related to engagement with individuals, there needs to be a focus on managing the expectations of workers and being realistic about the future. As former Bord na Móna employees were employed on relatively good employment terms and conditions and pay, it is unlikely that alternative jobs will meet these standards. Individual engagement needs to work with this issue in order to ensure engagement about future options. This is an issue that is relevant to many communities in transition. Work also needs to be done to manage the expectations of the community more widely and to ensure buy-in to the changed circumstances in relation to employment in the region. As one interviewee stated, *“A psychological flip needs to take place. The idea of a son getting a summer job at BNM while his father works there full time is now gone”*.

7.5 Helping vulnerable workers

The most vulnerable workers are those that have relatively low levels of skills and who will therefore find it difficult to adapt to new ways of working. Interventions should identify and work closely with these individuals, ensuring that they are aware of all that is on offer in terms of skills development. There should also be cooperation with employers to ensure that workers are released for training purposes, even if the training is not directly relevant to their current employment.

Many of those who were able to find alternative employment have done so: the focus should therefore be on these more vulnerable individuals. Incentivising employers and agencies to help these individuals to attend training and work-related training may be most effective.

7.6 The skills offer

Skills audits are a central tool that can effectively map the skills and competences present in the workforce, and particularly among those who have low levels of formal qualifications. This will highlight prior learning and may lead to initiatives to formalise that learning. It is vital that the skills and training offer is relevant and adapted to the specific context of the Midlands and the ETBs are working hard to ensure that this is the case. The Regional Skills Manager captures critical vacancies and skills needs of the region and a greater link between Education and Training Providers and Regional Skills Forum in roll out of upskilling initiatives is key. This will ensure the alignment of employer needs to upskilling programmes.

Online learning is a key way forward and it is to be expected that more tertiary-level education will take place remotely. However, it is more challenging to deliver practical and technical training via online methods and so thought needs to be devoted to how to deliver this type of training effectively. This is also dependent on the presence of reliable broadband in the region. It needs to be borne in mind that for the medium term – up to 10 years from now – skills policy should focus on ensuring that workers are trained to a high enough level, including technical skills, to take advantage of the opportunities coming into the region. This is likely to be more costly that training for basic skills, but will be more useful in the longer term.

7.7 Making the most of the region's assets

The 2020 Just Transition Progress Report emphasises that “the Region must play and plan to its strengths”. The Midlands has a keen sense of identity, community and entrepreneurial spirit. The workforce has a wide range of skills, which are being uncovered by skills audits. It also has a strategic location in the middle of the country, and

is well served by transport links to major cities such as Dublin to the east and Galway and Limerick to the west. The region also has a significant expanse of flat land, which could host a range of activities. All of these factors will serve the region well in the coming years in terms of managing the transition away from peat.

Remote working and online training, made more acceptable by the COVID-19 crisis, will work in the region's favour, cancelling out some of the disadvantages of a rural location. Other business, such as retail, could also be brought more online and in this context, COVID-19 may in the longer term be viewed as more of an opportunity than a destructive factor. All of this is, however, dependent on the widespread provision of reliable broadband.

7.8 Keeping a strong focus

The closure of the peat industry in the Midlands is an undeniably emotive issue that affects the whole community and its sense of identity. While it is important to act sensitively and reassure and work with individuals and different groups, thought should also be given to keeping a strong focus on the good of the whole community in the medium term. This may involve introducing an element of flexibility in the funding in order to concentrate on finding the main opportunities for employment creation in the medium term, and these are likely to vary according to area. The region is made up of a range of different communities of different sizes, including principal towns such as Portlaoise, Athlone, Mullingar, Longford and Tullamore, and small towns and villages. Job creation will in all likelihood span out from the principal towns in order to benefit the region as a whole. This could include working more closely with employers in order to align the training offer with demand.

7.9 Medium-term vision and goals

Although the immediate focus is on helping those who are currently losing their jobs, there needs to be a firm focus on planning for the medium term, in order to ensure that the Midlands and its workforce is in the best position to meet the challenges of the coming 10 years. Medium-strategies should align with other projects

such as Enterprise Ireland's Powering the Regions strategy¹⁹. There have been some moves to focus on the medium term: for example, the Steering Committee of the Midland Regional Enterprise Plan is working collaboratively to enhance the offering of the region and to chart its future direction.

It is unlikely that the bulk of future employment will come from the manufacturing sector and therefore plans to focus on the services sector, tourism, hospitality, the green economy, the circular economy and other diversification measures make sense. Future employment is likely to come from a patchwork of all of these sources together, rather than one large outside investment into the region. Entrepreneurship will also play a key part: business start-ups and support for small and micro companies should also be a focus in order to secure medium-term development. There might, for example, be scope to offer some financial support to business start-ups. The current round of expressions of interest for funding from the Just Transition Fund of EUR 11 million will fit into this. The project applications need to be evaluated systematically to ensure that they will have a sustainable impact. Many of the project ideas submitted will be dependent on using Bord na Móna land and building assets and therefore it is important that the availability of these assets is clear.

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Interviewees

We are very grateful to all those who took the time to speak with us for this study:

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