

A Draft Workforce Development Strategy for the Falkland Islands

Introduction

This document follows on the Labour Force Development Report produced by Balissa Greene, who was employed by FIG as a labour force development specialist in 2018 - 2020¹, identifying where progress has already been made since that report was published and developing actionable targets to address outstanding challenges or opportunities. The draft Strategy reflects input gathered from the Skills Assessment Council, representatives of the private sector and FIG directorates.

This Strategy aims to set a clear direction for actions related to workforce development across the Falkland Islands, and provide a platform for a unified effort across government and effective joint working between FIG and all stakeholders. It aims to cover private, public and not-for-profit sectors; Camp and Stanley; temporary and permanent populations. It primarily reflects FIG's role in supporting social and economic development throughout the Falkland Islands, but also recognises that FIG is a major employer in its own right.

The Strategy is intended to set ambitions and direction to support medium term planning over the next five to ten years. It supports the aims in the Islands Plan 2022-26 to promote sustained economic development for the Islands, to continue to develop a lifelong education system, and to develop a workforce strategy to improve the labour capacity in the Islands.

A shortage of labour of all types is regularly reported by businesses as a barrier to economic growth. We need enough people, with the right skills, to deliver the goods and services we expect, and to sustain the Falkland Islands economy. Further, the ability to pursue a rewarding career is an important factor in the Islands' economic and social development.

Some of the actions proposed in this Strategy can be implemented by government. In other cases, action will be needed by stakeholders outside government to achieve the goals of the strategy. It will be vital for FIG to work closely with stakeholders including FIDC, the Chamber of Commerce and other community organisations to implement the strategy.

¹ 'Labour force development report', available at <https://www.falklands.gov.fk/policy/economic-development/labour-force-development>

Recognising that both human and financial resources are limited, there will be a need to prioritise actions that achieve the most value from those limited resources. For this reason, the consultation includes specific questions related to prioritisation in each thematic area.

Further, we recognise that feedback from students, recent school leavers and Camp stakeholders will be important for ensuring the Strategy represents all parts of the community. Specific consultation with these groups will help to tease out unique challenges and opportunities that may not yet be fully captured in the draft Strategy.

A draft vision

VISION

A highly capable, motivated and flexible workforce that supports the sustained economic and social development of the Falklands Islands, providing opportunities for residents to develop their skills and careers in the Islands.

TO ACHIEVE THIS VISION WE NEED TO:

Invest in education and skills development.

Recruit Falkland Islanders and permanent residents into roles that make best use of – and help develop – their skills, while bringing people to the Islands who have the skills we need and the personal qualities to be a good fit for life in the Falkland Islands, helping them to integrate on arrival so they can play a full part in Island life.

Retain people with the right skills and qualities, encouraging Falkland Islanders and permanent residents to stay (or return from the UK or elsewhere), and international recruits to settle here and become part of our community.

The draft vision aims to set a high ambition, while being realistically achievable within a medium-term horizon of five to ten years. The vision, and the proposed measures to support it, do not attempt to identify specific industries, occupations or skills that the Islands will need in the future, but rather to improve the overall capacity and adaptability of the workforce to respond to economic opportunities and challenges.

The Strategy does not seek to take a view on what is a desirable rate of population or workforce growth, recognising that this is an issue of much wider political, economic and social debate.

Investing in Education and Skills

We need to invest in the education and skills, including by:

- Continuing to develop and extend the skills offer on the Islands through Falkland College
- Expanding opportunities for a system of ‘lifelong learning’ that allows people to return to education, retrain or build on existing skills
- Working with employers to continue developing and extending the Apprenticeships programme to increase the number of people with skills needed on the Islands
- Finding ways to connect students with employers to match people to opportunities in the Islands

Key facts and figures on education & skills

29% of the Falkland Islands population aged 19-64 has a Level 4 qualification or higher (compared to 34% in the UK) and 27% have a Level 3 qualification (compared to 17% in the UK). An additional 10% have an apprenticeship qualification (5% in the UK). Level 4 means higher education or higher vocational qualifications, and Level 3 means A levels or vocational equivalents.

In 2022, 50% of FICS students achieved five or more GCSEs, including English and Maths, at grade A* to C or 9 to 5 – (compared to 60.3% in the UK).

18 students started sixth form or further education abroad in 2022, almost all in the UK, but numbers vary substantially from cohort to cohort. 7 students started their first year in Higher Education in 2022. The number of students starting university each year, funded by FIG, has varied from 6 to 20 over the period 2015-2022.

We do not have a consistent set of data on how many students return to the Islands after going abroad to study, but over the last four years the rate is believed to be around 75%.

During 2021/22, 42 applications to the Community Development Scheme were approved (out of 44 received), of which 33 were for local study and 9 for study overseas. At November 2022, there were 55 people actively studying and receiving CDS support for training ranging from updating electrical installation certification to a medical degree.

Sources include: Analysis of Falklands Islands Census 2021 and UK Census 2021; FIG Education Department records

Current status and accomplishments

Progress has been made in recent years to improve education and training for all ages. In 2018, we introduced new standards to improve the quality of pre-school childcare. This is backed by a childcare subsidy scheme which ensures that childcare providers have the resources to improve the quality of their offer, without increasing the fees charged to parents.

We have continued to invest in Falkland Islands schools and Camp Education and, in 2020, opened a new College building with expanded provision. The College has improved the offer for people with special needs and disabilities, through the Shield programme.

After the age of 16, young people with PRP or FI Status are funded to access sixth form and vocational education in the UK and full financial support is also provided for people with Falkland Islands Status to obtain undergraduate degrees and for further post-graduate study. The Apprenticeship programme has been expanded, and offers opportunities in plumbing, carpentry, electrical, childcare and many other trades and occupations for those with FI status. Apprentices of all ages can work and learn at the same time, gaining a recognised qualification through study in the UK or on the Islands. The previous cap on numbers has been removed, and there were 30 apprentices in post at August 2021².

The careers advice offer has been expanded significantly in recent years to include school Careers Day, Careers Fair, work experience opportunities, an annual information meeting on post 16 options, achievement evenings and an annual business breakfast bringing together students and employers. The careers adviser offers mentoring to students in the UK and on return to the Islands. There is scope to build on this programme further, to help people of all ages make good informed decisions on their careers, education and training. We have expanded the capacity for careers advice and guidance, building on the improvements in recent years, by appointing an additional careers adviser.

The Community Development Scheme (CDS) supports education and training for people of all ages with PRP or FI Status. A review in 2020 introduced a range of improvements to CDS, including more support for employees of small businesses (meeting 100% of the cost rather than 50%) and improved promotion of the scheme. As a result, the budget is now being fully used, after under-spending for many years, demonstrating the demand from people looking to upgrade their skills.

Support for businesses is available through a 150% tax allowance for training costs and a range of advice and support through FIDC.

² Access to post-16 education is subject to status. Funding for sixth form, further education and CDS are available to people with PRP or Falkland Islands Status. The Apprenticeship programme and the funding for higher education are available to people with Falkland Islands status.

Challenges

Levels of qualifications are lower overall in the Falkland Islands than in UK. The opportunity to achieve qualifications has improved, but was not always available in the past. It is likely that there are a greater number of people in the Falklands Islands who have a high level of skill without possessing the relevant formal qualifications, relative to the UK. In a small community, there is also an extent to which being multi-skilled is more useful, and more highly valued, than having high level qualifications in a particular specialism. This is especially true in Camp.

There is a small, but growing, number of young people who are under-served by the current range of education and training programmes. Young people with PRP (or whose parents have PRP) are able to access Further Education opportunities, but are not eligible for the Apprenticeships programme. There are also some young people who do not have PRP or Status but have been brought up in the Islands over many years who cannot access either programme. This represents a loss of potential skilled capacity for the Islands' economy and a population who have already integrated in the community and may be particularly inclined to make the Falkland Islands their permanent home.

In a modern economy with rapid technological change, there is a need for people to develop and refresh their skills, and a growing possibility that people will need or want to re-train for new roles during their lifetime. We need to promote a culture of lifelong learning to ensure the Falkland Islands have an adaptable and resilient workforce to respond to the needs of the local economy.

There will always be some limit to the variety of education and training that can practically be undertaken within the Islands. However, continuing to improve the capacity to offer education and training locally will increase accessibility of these opportunities.

Continuing to support people to make informed choices, based on sound information, advice and guidance will help improve the return the Falkland Islands Government, private employers and individuals get on investments in education and training.

Proposed actions on investing in education and skills

- **Develop and publish a long-term vision and plan for lifelong learning**, which will include:
 - Planning how the Falkland College offer will develop and extend over time
 - Scoping and costing a commitment to enable everyone who is resident in the Falkland Islands, and likely to remain part of our workforce in the long term, to achieve the level of qualification needed to demonstrate competence in their field, trade or profession (typically Level 2 or 3)
 - Removing, or substantially raising, the upper age limit for Further Education funding (currently 20) for anyone who has not already benefitted from such funding
 - Continuing to extend and develop the offer on basic skills (Maths, English, and English for speakers of other languages)
 - Continuing to improve the facilities for Shield, building on the recently-added workshop and garden spaces

- **Continue to develop and promote the Apprenticeships scheme**, including:
 - Extending eligibility for Apprenticeships, to include PRP holders and long-term work permit holders (and, particularly, young people whose parents are PRP or long-term work permit holders), subject to constraints on funding and available opportunities
 - Promoting agricultural apprenticeships to help develop the skills needed by Camp businesses
 - Promoting Apprenticeships more actively to Falkland Islands' businesses and within government to meet critical workforce needs including nurses, teachers, social workers and tradespeople

- **Promote and improve engagement between FI employers and young people studying abroad**, to promote local career opportunities and encourage people to return after their studies, including through:
 - Making sure all students abroad are offered at least an annual review with the College careers team, whether remotely or in person, focused on their career aspirations and the opportunities available to them in the Falkland Islands
 - Encourage employers to build links with student, through employment and/or work experience during vacations, mentoring or other links.

- **Continue to encourage a culture of succession planning across all employers, providing career development pathways** (building on and extending the best current practice) and skills transfer from skilled contractors to help prepare residents to take on those roles

Recruitment and Integration

We need to recruit Falkland Islanders and Permanent Residents into roles that make best use of – and help develop – their skills, while bringing people to the Islands who have the skills we need and the personal qualities to be a good fit for life in the Falkland Islands, helping them to integrate on arrival and play a full part in Island life, including by:

- Supporting Falkland Islanders and Permanent Residents to develop and progress their careers
- Improving the way we market the opportunities for working and living in the Falkland Islands
- Ensuring that new arrivals feel welcomed and are helped to integrate and understand the Islands culture
- Regularly reviewing our immigration legislation regime, balancing the desire to have a system that is as streamlined as it can be while still providing the necessary safeguards

Key facts and figures on recruitment

Population growth over the next 15 years is estimated at around 2% per annum (compared to average growth of 3% per annum between 2012 and 2016).

The high economic activity rate – evidenced by a labour force participation rate of 95% - suggest there is little scope for increasing labour supply by drawing additional residents into the workforce, and that any net new jobs will require immigration.

In FIDC's Business Climate Survey, "shortage of skilled labour" is consistently listed as one of the main barriers that prevent the growth of businesses (identified by 30% of businesses in the 2020 survey) and "shortage of unskilled labour" also features (16% of businesses).

Recruitment can be time consuming and expensive, representing a significant risk to smaller businesses in particular. Once employees arrive on Island, retaining them in post is important. The research undertaken during 2018-20 indicated that many contractors recruited to work in the Falkland Islands had difficulty in finding reliable information about living and working in the Falklands, with some finding that the experience was not what was promised or expected.

Sources include: State of the Falkland Islands Economy 2020, FIG; Business Climate Survey 2020, FIDC; Labour Force Development in the Falkland Islands: Summary Report of the Labour Force Development Project, by Balissa Greene.

Current status and accomplishments

All registered employers must ensure that all jobs are advertised locally for at least seven days. A registered employer may not employ a migrant worker to fill a vacancy where a suitable person with a right of abode in the Falkland Islands has applied, is available and willing to do the work.

Where posts cannot be filled locally, employers may recruit internationally, subject to work permits. A range of changes to streamline and improve the immigration system were introduced in September 2021, including.

- a revised set of permits, based on ‘one person, one permit’ reducing the bureaucracy associated with issuing multiple work permits for an individual
- a new Registered Employer Scheme based on joint working between sponsoring employers and Customs & Immigration

In November 2020, we introduced a pilot scheme for shorter health assessments for British Citizens moving to the Falkland Islands, and this has since been extended indefinitely by Executive Council decision in May 2022 (ExCo 74/22).

Some performance indicators have been set for the work permit process. The target for health assessments is that they are completed within 15 days of all the information being provided, and KEMH aims for 10 days wherever possible. The Immigration Services aims to complete work permit applications within 8 days of a complete application being received. While processing times for ‘complete’ applications generally fall within those targets, concerns have been raised by businesses about the time that can elapse from start to finish of an application where additional information, for the health assessment or otherwise, is required. This is not currently measured.

As noted in the introduction section above, FIG also has a key role as the Islands’ largest employer. FIG human resources have improved the guidance and support for local and international recruitment by departments. Where it can be evidenced that an applicant has the potential and clear capacity to develop into a role of a higher grade in due course by undertaking a bespoke development plan then there are opportunities to be appointed on a succession planned basis.

FIG also encourage staff to undertake further training and development opportunities within their existing roles to enhance that person’s career development. FIG have also introduced the Management Trainee scheme, aimed at identifying and supporting the next generation of leaders across government. FIG have also improved the corporate induction offer and the guidance on induction for departments.

Challenges

Recruiting Falkland Islanders and Permanent Residents into roles that suit – and develop – their skills is one of the priorities identified in the vision for this Strategy. Where it is compatible with operational needs, employers should consider recruiting people into roles in a way that allows time to develop into the role and obtain any necessary qualifications. Further, to maximise the benefit to the local economy of investments in education and training, it will be important to encourage people from the Falklands who are studying or working abroad to return to jobs that make good use of their skills and qualifications.

International recruitment can be costly and take considerable time – it represents a substantial risk for smaller businesses in particular. Significant delays can arise in completing the necessary immigration checks and arranging logistics, which can sometimes result in an employee withdrawing from an accepted job offer.

The constraints of operating a health service for a relatively small population means that the Falkland Islands may not be a suitable place for individuals with some serious medical conditions or special needs to move from abroad. This includes both work permit applicants and dependants that may accompany them. The resulting need for medical, dental and educational assessments, which will be unique to each individual, inevitably adds some time and cost to the work permit process. The outcomes of these assessments may lead to the need to recruit an alternative candidate.

Not all new recruits feel welcomed on arrival or supported to integrate, which contributes to ‘churn’. There is scope to improve the induction for newcomers on the Islands’ history, culture etc. and to link new people to existing communities of interest, including the many groups and societies listed in the Community Directory.

There is potential to improve the information available on living and working in the Falkland Islands, to support international recruitment, to attract people who are a good ‘fit’ for living and working in the Falkland Islands.

Proposed actions on recruitment and integration

- **Continue to promote local recruitment, and encourage Falkland Islanders who have moved abroad, to work or study, to return to live and work in the Islands.** Work led by FIGO in engaging with Falkland Islanders living abroad, includes a strand about encouraging those individuals to consider opportunities to return.

- **Recognise that applicants may have the necessary skills and experience to do a job even if they lack formal qualifications.** While there are some jobs that will require specific qualifications (e.g., doctors), recruitment processes should where possible take into account both qualifications and equivalent experience.
- **Work with the Chamber and other stakeholders on an attraction plan for international recruitment, centred around an on-line portal.** This is likely to have most impact if designed and delivered as a single point of entry for information about living and working in the Islands and was operated outside of FIG.
- **Scope and cost development of a ‘settlement service’,** drawing on successful models elsewhere in the world, such as the Yukon Multi-Cultural Association¹, which is funded by the Canadian and state governments, and provides newcomers with a range of help including information on everyday living, referrals to services, and English classes. A settlement service could support what employers already do to welcome new arrivals. A Falklands service could be run by community organisation(s), funded by government subvention, and include outreach to the Chilean, Filipino, St Helenian and Zimbabwean communities.
- **Continue to review how the work permit immigration system operates to streamline processes, improve customer experience and eliminate unnecessary delays.** This will include:
 - Developing an on-line application process; planned to be launched during 2023
 - Review the range of performance indicators, including the time cases take to reach completion, to seek to reflect the overall experience of individuals and businesses
 - Considering the scope to extend the short medical form to other countries with advanced health services
 - Improve the information available on how the overall ‘journey’ through work permits, PRP and Falkland Islands Status works
 - Improve the information available on how assessments of medical, dental and educational fitness are undertaken and what criteria are taken into account, recognising that ultimately it will be a unique judgement based on individual circumstances
- **Work with FIDC and the Chamber to identify any measures which could be introduced to help small employers with the costs and risks involved in international recruitment.**
 - One option might be small low-interest or interest-free FIDC loans, with repayment not starting until the recruitment process has been completed.

Retention

We need to retain people with the right skills and qualities, encouraging Falkland Islanders to stay (or return from the UK or elsewhere), and international recruits to settle here and become part of our community, including by:

- Promoting succession planning across the Falkland Islands, including within FIG
- Providing information and practical support to encourage people to settle and make the Falkland Islands their home

Key facts and figures on retention

As of the 2021 Census, 28% of Falkland Island residents were classified as temporary (not holding Falkland Island Status or Permanent Residence).

A study of the years 2013-17, showed that an average 2.8% of work permit holders moved from the temporary pool to the permanent population pool each year.

In the last decade, there has been a significant increase in uptake of Permanent Resident Permits and Falkland Island Status. From 2012/13 – 2016/17 there were 141 PRP/PRR certificates issued, compared to 308 between 2017/18 – 2021/22. During the same periods, Falkland Islands Status certificates issued increased from 75 to 83.

Sources include: Socio-economic impacts of oil and gas development in the Falkland Islands, FIG, October 2019; Falkland Islands Census 2021; analysis of FIG immigration data

Current status and accomplishments

Immigration reforms are designed to facilitate people to stay in the Falklands Islands long term, where they have a contribution to make to our economy and society. Revised Immigration legislation was passed by the Legislative Assembly in June 2021.

The revised PRP regulations seek to improve the incentives for people to settle in the Falkland Islands aligned with the needs of the economy, and we will review their effectiveness after two years of operation. The revised Immigration Ordinance, and the revised PRP Regulations made under it, are intended to provide a coherent pathway to permanent residence and Falkland Islands status. It will help encourage people to settle in the Falkland Islands, whilst maintaining a robust framework of checks and protections.

The PRP quota has been increased from 44 to 90 people per year, and applications are now considered monthly rather than quarterly.

The revised PRP points system (supported by the expanded annual quota) now:

- awards points for occupations on the Workforce Shortage List, employment in Camp, and for making a substantial sustained contribution to society;
- gives more points to young applicants, particularly young families;
- awards more points to individuals who apply for PRP soon after meeting the minimum residency requirement of 3 years.

From 1 September 2021, work permits may be extended up to the 4 years mark for a person remaining in the same role, without the employer needing to advertise. After 3 years, someone who wants to stay will have the option of applying for PRP. In FIG, more contractor posts are now on four year contracts rather than shorter terms.

FIG as an employer offers structured 'exit interviews' when people leave to seek to learn and develop, including building up a stronger evidence base on the reasons for departures, and to understand better what might have encouraged people to stay longer. In many FIG departments, pathways are in place to help staff develop into higher level roles, and we will encourage the spread of good practice across FIG and beyond

Challenges

A strong economy and a tight labour market generate the need for overseas recruitment. That brings its own challenges. Unless carefully managed, a consistently high proportion of temporary workers can be associated with less community cohesion, putting strain on the community's ability and willingness to integrate newcomers.

A high level of 'churn' – generated both by people moving between jobs within the Falkland Islands, and people arriving and then leaving the Islands - creates costs for employers in recruitment, loss of continuity, and opportunity costs and project delays during periods when posts are vacant.

The level of 'churn' varies in different sectors, and is higher for government than for the private sector. We also need to recognise that some movement of people is desirable, indicating a dynamic and flexible economy.

Churn could be reduced by increasing the average length of stay and/or by encouraging more people to settle here permanently. It will not work for everyone – some roles come to an end, some people will choose not to stay or settle due to personal circumstances. Some of the constraints that might limit people's willingness to stay longer (e.g. housing, connectivity) will only reduce over the longer term.

Proposed Actions

- **Continue to review how the immigration system operates for PRP and Falkland Islands Status to streamline processes, improve customer experience and eliminate unnecessary delays,** including:
 - reviewing all fees and charges incurred by individuals and families in applying for PRP, British Overseas Territory citizenship, and FI status to ensure that cost is not a barrier
 - assessing the impact of the September 2021 package of immigration reforms after two years of operation, to assess the impact on workforce development.

Make simple, clear guidance available about the pathway to PRP and FI Status under the reformed PRP system, making sure this is available to work permit holders in the Islands and their employers, and also to potential overseas recruits from the outset (see the 'Recruitment' section above). This should be promoted widely and will be designed encourage temporary workers to consider settling in the Falkland Islands, outline the benefits, and give practical advice on applying for PRP, British OT citizenship and FI Status.

FIG Human Resources have produced new guidance to encourage managers to have earlier conversations with contract staff (starting in the last quarter of their first 12 months in post) about their long term aspirations and the potential benefits of staying on the Islands longer term. HR will support peer networks for staff interesting in settling long term.

Continue to promote a culture of succession planning and career development, within businesses and FIG, to help prepare permanent and long-term residents to develop their skills and careers. For instance, secondments and shadowing work experience could provide an opportunity to gain skills and experience. Within FIG, a mentoring scheme provides an opportunity for staff to seek advice about their career development and the performance appraisal system allows staff to communicate their ambitions to their manager. Continued work on rewards and recognition is planned to improve employee satisfaction and retention.

Continue work related to infrastructure developments that may have impacts on the retention of workers within the Islands, such as housing, technological advancement, provision of health and education services and improved travel links.

Recognise that some amount of 'churn' will be inevitable and implement processes to minimise the impacts. Robust documentation, knowledge transfer and related activities will help to preserve institutional knowledge and reduce the impact of churn on operations.