

JobBridge- An Scéim Náisiúnta Intéirneachta An Roinn Coimirce Sóisialaí Teach Goldsmith Sráid an Phiarsaigh Baile Átha Cliath 2

3rd May 2013

Ref: 131716

Ms. Emer O'Gorman Meeting Administrator Corporate Services Department South Dublin County Council County Hall Tallaght Dublin 24

www.jobbridge.ie

JobBridge- The National Internship Scheme Department of Social Protection Goldsmith House Pearse Street Dublin 2



Dear Ms. O'Gorman,

I am directed by the Minister of Social Protection to refer to your recent correspondence of the 10th April 2013, regarding JobBridge, the National Internship Scheme.

JobBridge, the National Internship Scheme, was launched on 1st July 2011. It provides internship opportunities of either 6 or 9 months for unemployed individuals at all skills levels that are in receipt of a Live claim (Jobseekers Allowance/Jobseekers Benefit/One Parent Family Payment/Disability Allowance) or are signing on for credits for at least 3 of the last 6 months (78 Days). The aim of JobBridge is to assist individuals in breaking the cycle where they are unable to get a job without experience. An internship provides an opportunity to gain valuable experience, relevant knowledge and skills within a working environment. The Scheme is open to organisations in the private, public and community voluntary sectors.

It should be noted that JobBridge is a targeted labour market intervention and one of the objectives of the scheme is to keep unemployed people close to the labour market.

The JobBridge Scheme has made significant progress since it came into operation. 16,326 internships have commenced as at 2^{nd} May 2013 with 6,059 participants on an internship and 2,376 internship opportunities advertised on <u>www.jobbridge.ie</u> as of that date. A recent independent evaluation of the Scheme conducted by Indecon Independent Economic Consultants found that 61% of individuals who have participated in JobBridge have progressed into employment on within five months of completing their internship placements.

Clearly Jobbridge has had a demonstrable effect on subsequent employment chances for participants who in the absence of the Programme would not have secured employment and succeeded in its challenging aim of securing movement off the Live Register. In so doing JobBridge has proven itself to be a key instrument in achieving the Departments goal of encouraging and stimulating the Irish economy through the up-skilling of participating interns, to respond flexibly to the changing dynamics of the Irish labour market and the changing face of Irish business.

A positive feature of Jobbridge is that it is not limited by the age of the participant, as evidenced by the findings of the interim external evaluation report which found that though the primary scheme uptake has been within the 20-24 and 25-34 age groups, there is also significant involvement among older age groups aged 35 or over.

In order to protect the intern and to ensure the integrity of the JobBridge Scheme a variety of control measures and criteria have been introduced. These ensure that the internship does not displace an existing position; that it provides appropriate training and development experience; and that appropriate mentoring and support is provided to the Intern. Further the Department of Social Protection are involved in the on-going monitoring of internships. This involves the regular review of monthly compliance reports and the conducting of random monitoring site visits to facilitate discussions with both parties to the Internship.

Any individual who suspects that an internship may be in breach of the scheme's criteria; including cases of suspected displacement, quality issues or lack of appropriate mentoring and support, may contact the JobBridge team. Such cases are investigated by the Department as a matter of priority, where such allegations are substantiated those organisations are disqualified from any future participation on JobBridge. Recent independent research undertaken as part of an external evaluation of JobBridge by Indecon Independent Economic Consultants indicates that displacement of existing paid jobs occurs in only a very small number of cases and accounted for just 3% of the overall number of placements.

Indecon research among interns and hosts further indicated high overall levels of satisfaction with the scheme. Among interns, almost 66% participants indicated they were very satisfied with the scheme. In particular, a majority 89% of interns felt that the scheme provided the opportunity to gain new job skills, while 63.9% indicated that the scheme provided a lot in terms of opportunity to gain quality work experience. 52% also felt that the scheme provided a lot in terms of improving their chances of gaining employment. Other potential benefits include that the scheme helps boost participants' self-confidence, assists in identifying job opportunities suitable to their abilities, and keeps them close to the job market. Two-thirds of interns responding to the survey indicated that they would recommend JobBridge to other people.

Progression outcomes of JobBridge are strong however JobBridge is a voluntary scheme. A Host Organisation is under no obligation to employ their selected intern at the completion of the internship. However there is nothing to prevent it. As at the 2nd May 2013 JobBridge records would suggest that 2,226 interns have been employed directly by their host organisation. However the rate of host organisations employing interns is necessarily low. If an employer is in a position to employ someone they should not be taking on an intern. Otherwise the internship is displacing employment, which the scheme is designed to avoid.

Additionally there are a number of supports to employers currently available to encourage progression into employment as a viable outcome of an internship. In June 2010 the government announced a new Pay Related Social Insurance (PRSI) exemption scheme. The Employer Job (PRSI) Incentive Scheme means that when an employer employs additional eligible workers, they will not have to pay employer's PRSI in respect of their employment for eighteen months. After completing three months on an Internship, a participant may qualify as an 'eligible worker' under this scheme. Alternatively if their intern has been

unemployed for 12 months or more they may qualify for the revenue Job Assist Scheme which allows for a double wages deduction in respect of qualifying employees. Further details on both of these scheme is available on <u>www.intreo.ie</u> or by contacting 1800 611 116.

Indecon International Economic Consultant's final report was launched on the 1st May. It contains not only a comprehensive review of the scheme to date but also includes recommendations on how JobBridge might be improved or expanded. These and all other recommendations of the report will now be considered in full by the Minister and the National Steering Committee.

Yours sincerely. Sarah Mooney

Department of Social Protection Goldsmith House Pearse Street Dublin 2