

# JobsPlus

*Post Nua, Laghdú ar Chostas*  
New Jobs, Less Cost

## ***Focused Policy Assessment***

**August 2017**  
**Version: Final**



EUROPEAN UNION

Investing in your future  
European Social Fund



# Contents

Contents.....	2
Summary of Main Findings .....	4
1. Introduction .....	5
1.1 Terms of Reference.....	5
1.2 The forthcoming counterfactual evaluation.....	6
2. JobsPlus Background and Objectives.....	7
2.1 History of scheme .....	7
2.2 How does it work? .....	8
2.2.1 Eligibility.....	8
2.2.2 Payment to employers.....	10
2.2.3 Control and Oversight.....	10
2.3 The objectives of JobsPlus .....	11
3. How successful is JobsPlus? .....	12
3.1 Programme Logic Model.....	12
3.2 Scheme Inputs.....	13
3.2.1 Employee Eligibility Applications .....	13
3.2.2 Employer Registrations .....	14
3.2.3 Direct costs – Scheme Budget.....	14
3.2.4 Indirect/Administrative Costs .....	15
3.3 Scheme Activities .....	16
3.3.1 Processing of Employee Eligibility Applications.....	16
3.3.2 Processing of Employer Registrations.....	17
3.3.3 Creation of Payments.....	18
3.4 Scheme Outputs.....	20

3.4.1	Number of employers to benefit from the scheme.....	20
3.4.2	Number of employees to benefit from the scheme .....	23
3.5	Outcomes: Results and Impacts.....	24
3.5.1	Analysis of Outcomes for Employees who started on the scheme between March and August 2014 .....	25
3.5.2	Geographical impact of JobsPlus .....	39
3.5.3	Employee gender profile.....	40
3.5.4	Age profile of scheme beneficiaries.....	40
3.5.5	Hours worked by JobsPlus employees .....	42
3.5.6	Wages paid to JobsPlus employees .....	42
3.6	Consideration of Deadweight and Displacement .....	43
3.6.1	Deadweight .....	43
3.6.2	Displacement .....	44
4.	Continued relevance .....	46
4.1	Age Profile Changes .....	46
4.2	Profile of Long Term Unemployed.....	47
4.3	Youth Unemployment.....	48
5	Conclusions .....	49
5.1	How well has JobsPlus met its objectives? .....	49
5.2	Items for further consideration .....	49
Appendix 1: Members of the Focused Policy Assessment Working Group.....		51

## Summary of Main Findings

This Focused Policy Assessment reviewed the operation of the JobsPlus employment incentive scheme from the commencement of the scheme in July 2013 up until the end of 2016.

The Programme Logic Model evaluation framework was used to describe and evaluate the various aspects of the scheme.

The key findings of the assessment are:

- Over the lifetime of JobsPlus, more than 12,000 people who were long-term unemployed have gained employment through the scheme and over 8,000 employers have benefitted from JobsPlus grants.
- There are currently more than 4,000 employers approved for payment of a JobsPlus grant in respect of over 5,500 employees. These numbers compare very favourably with the 1,454 employers supported in 2011 by the schemes it replaced.
- JobsPlus has proven effective at getting people who were long-term unemployed off the Live Register:
  - o 87% of employees who participated on JobsPlus remain off the Live Register between 30 and 36 months after their commencement date on the scheme. For employees who complete 24 months on the scheme, this percentage rises to 94.8%.<sup>1</sup>
- The tiered nature of the JobsPlus incentive has been effective in targeting the longer term unemployed. Approximately 70% of grants are paid at the higher €10,000 level in respect of employees who have been unemployed for more than two years. Given the changing nature of the Live Register, it may now be appropriate to adjust the incentive to focus on those who are unemployed for three years or longer.
- Workers over the age of 50 are under-represented on JobsPlus. Fewer than 10% of JobsPlus employees are in this age bracket. By contrast, around 40% of those who are long-term unemployed are over 50. An incentive could be added to the scheme to encourage the recruitment of older people who are long-term unemployed.

---

<sup>1</sup> Based on a sample of 1,727 participants.

# 1. Introduction

JobsPlus is an incentive that is designed to encourage employers to recruit people from the Live Register who are long-term unemployed<sup>2</sup>. The scheme pays employers from the date the new employee starts to work for them. Payments are made each month in arrears over a two year period. There are two levels of payment: €7,500 for recruiting an employee who has been unemployed for between one and two years, and €10,000 for an employee who has been unemployed for more than two years. The scheme has been operated by the Department of Social Protection (DSP) since it began in 2013.

The aim of this Focused Policy Assessment (FPA) is to review the rationale, efficiency and effectiveness of JobsPlus. It covers the period from the commencement of the scheme in July 2013 up until the end of 2016.

The FPA was overseen by a Steering Group comprising representatives from both the DSP and the Department of Public Expenditure and Reform. The members of this Steering Group are listed in Appendix 1. The Steering Group agreed the following terms of reference for the FPA.

## 1.1 *Terms of Reference*

- Outline the background to the JobsPlus scheme and its objectives.
- Review how successfully the scheme meets these objectives; including detailing
  - the inputs associated with the scheme, including the level and trend of the inputs; and
  - the outputs/results and comment on the efficiency by which these outputs were delivered.
- Consider the continued relevance of the scheme and the degree to which its objectives are being achieved in a changing economic environment.

---

<sup>2</sup> **Definition:** Long-term unemployment refers to the number of people with continuous periods of unemployment extending for a year or longer. **Source:** International Labour Organization, Key Indicators of the Labour Market database

## ***1.2 The forthcoming counterfactual evaluation***

As part of the overall review of the JobsPlus scheme, this FPA will be complemented by a counterfactual impact evaluation later in 2017. This will incorporate econometric modelling to assess and measure the impact of the programme on labour market outcomes for participants.

The primary objective of the econometric evaluation of JobsPlus is to establish and assess the extent to which participation in the programme resulted in improved employment outcomes relative to remaining on the Live Register. To evaluate deadweight and displacement, there are several considerations:

- The evaluation may be able to ascertain the extent to which the scheme contributed to deadweight by utilising statistical matching techniques to construct equivalent control and treatment groups to estimate how jobseekers on JobsPlus would have gained employment in the absence of JobsPlus. The evaluation may also be able to disaggregate the effects across key variables of interest, such as duration of unemployment and age, to explore the scope for differential targeting of the scheme in future in order to minimise potential deadweight.
- The primary evaluation will not be able to directly address the issue of displacement due to data limitations. However, through undertaking a survey of employers as well as exploring sectoral recruitment data from the CSO, it may be possible to provide an indicative assessment of displacement risks.

The final parameters of the evaluation will be subject to the approval of the policy owners in the Department of Social Protection and contingent on the availability of appropriate data and resources. The current expectation is that the econometric evaluation will be contracted out to a third party. It is the intention that the process of sourcing and contracting a third party will be initiated in June 2017 with the project scheduled to formally start in the third quarter of 2017 and the final report complete in 2018.

## 2. JobsPlus Background and Objectives

### 2.1 History of scheme

JobsPlus was created as part of the Government's Action Plan for Jobs 2013. The Action Plan included the following:

*"Disruptive Reform 5: Make it attractive for businesses to hire additional employees from the Live Register through the JobsPlus Initiative"*

The scheme is part of a range of measures aimed at employers in Strand 4 of the Government's "Pathways to Work" programme. Strand 4 is about "Incentivising employers to provide more jobs for those who are unemployed"<sup>3</sup>, reflecting the difficulties faced by those who are long-term unemployed in returning to the workforce.

At the time the scheme began in July 2013, the seasonally adjusted unemployment rate was 13.7%. The long-term unemployment rate was 8.1% and long-term unemployment accounted for 58.2% of total unemployment<sup>4</sup>.

Employment incentives, such as JobsPlus, form one category of active labour market policies (ALMPs) as defined by the European Commission for Employment, Social Affairs & Inclusion<sup>5</sup>. The Commission states that "In a setting of low labour demand and limited fiscal space, employment incentives can be an attractive instrument for supporting employment while also improving the employability of specific vulnerable groups"<sup>6</sup>.

JobsPlus was set up as a replacement for two existing schemes: the Revenue Job Assist Scheme and Employer Job (PRSI) Exemption Scheme. Uptake of these schemes was considered low, with only 1,454 employers supported by these schemes in 2011<sup>7</sup>. The Action Plan for Jobs 2013 stated that this low uptake may have been as a result of a number of supply side factors:

*"the multiplicity of schemes which employers may find confusing; poor marketing of the schemes – some employers are unaware they exist; administrative burdens; schemes being incorrectly targeted or not seen as sufficiently beneficial."*

JobsPlus was designed as an attractive, easily understood incentive which is operated in a user friendly manner.

---

<sup>3</sup> Source: Pathways to Work 2013 - <http://www.welfare.ie/en/downloads/Pathways-to-Work-2013.pdf>

<sup>4</sup> Source: Quarterly National Household Survey - Q2 2013 - [http://www.cso.ie/en/media/csoie/releasespublications/documents/labourmarket/2013/qnhs\\_q22013.pdf](http://www.cso.ie/en/media/csoie/releasespublications/documents/labourmarket/2013/qnhs_q22013.pdf)

<sup>5</sup> [http://ec.europa.eu/europe2020/pdf/themes/2016/employment\\_incentives\\_201605.pdf](http://ec.europa.eu/europe2020/pdf/themes/2016/employment_incentives_201605.pdf) - Annex 1

<sup>6</sup> [http://ec.europa.eu/europe2020/pdf/themes/2016/employment\\_incentives\\_201605.pdf](http://ec.europa.eu/europe2020/pdf/themes/2016/employment_incentives_201605.pdf)

<sup>7</sup> Source: Action Plan For Jobs 2013 - <https://www.djei.ie/en/Publications/Action-Plan-for-Jobs-2013.html>

The scheme began in July 2013 with an initial pilot phase of 2,500 sanctioned employee places. This was expanded to 3,000 places in June 2014 and then to the current sanction of 6,000 places in Budget 2015.

In February 2015 “JobsPlus Youth” was added to the scheme under the EU Youth Guarantee scheme.

This addition was in line with recommendations from the OECD and meant that, the qualifying period for those aged under 25 was reduced from 12 months to four months. Young people are provided with certification that they qualify for the subsidy at the lower rate of payment and are in a position to use this certification in job applications with employers.

Funding for JobsPlus Youth places is provided by a tripartite arrangement whereby one-third of the cost is met by each of the DSP, the European Social Fund and the Youth Employment Initiative.

Changes were also made to the scheme in 2015 to allow Programme Refugees<sup>8</sup> and lone parents in receipt of Jobseekers Transition Payment<sup>9</sup> to be eligible for the scheme with no qualifying time period.

The scheme was initially managed on the Sharepoint software platform. It was migrated to the Department’s BOMi platform in April 2016. This has helped to improve the efficiency of the administration of the scheme by automating a number of control checks that were previously carried out manually.

## **2.2 How does it work?**

### **2.2.1 Eligibility**

#### **Employers**

JobsPlus is available to all employers in the private (including commercial semi-state), community, not-for-profit and voluntary sectors. It is not open to public service employers. Employers can avail of JobsPlus when filling new positions or positions that arise as a consequence of natural turnover.

Employers must meet the following conditions:

---

<sup>8</sup> These are persons whose refugee status is determined in the context of a resettlement programme (section 24 of the Refugee Act 1996).

<sup>9</sup> The Jobseeker’s Transitional Payment is a provision under the Jobseeker’s Allowance scheme that is available to lone parents (both former OFP recipients and new lone parents), who are not co-habiting and have a youngest child aged 7 to 13 years inclusive. The payment is known as JST.

JST recipients are exempt from the JA conditions that require them to be available for, and genuinely seeking, full-time work. They can move into education and/or employment, including into part-time employment, and still receive payment, subject to a means test.



- The business must be registered as a PAYE employer with Revenue;
- The employer must be compliant with Irish tax and employment laws. Employers are asked to give an officer of the DSP permission to check their status with Revenue and to obtain a Tax Clearance Certificate using Revenue's on line service;
- The employer must offer full-time employment of over 30 hours per week, spanning at least four days per week. The eligible employee must be on payroll and subject to PAYE and PRSI; and
- Employers must give details of their workforce prior to application. Where an increase in the work force is not evident, employers will be asked to provide additional information to the Department to support the application.

Once an employer decides to recruit an additional employee on the scheme, they complete an online application form which gathers basic information such as name of company, size of workforce, bank details and economic sector. The employer must also provide permission for the Department to check their tax clearance certificate online. The Department will review, verify the data and check the tax clearance certificate. If in order, the employer will receive a confirmation e-mail.

Once the employer receives eligibility confirmation from the Department, they may proceed with their recruitment.

## **Employees**

To be eligible for JobsPlus jobseekers must:

- Be in receipt of Jobseeker's Benefit (JB), Jobseeker's Allowance (JA), Jobseeker's Allowance Transition or signing on for credits.

And

- Be at least 12 months (312 days) on the Live Register in the previous 18 months to qualify as an eligible employee for the €7,500 incentive. As outlined earlier, since 1 January 2015, the qualifying period is 4 months (104 days) for young people aged under 25.

Or

- Be at least 24 months (624 days) on the Live Register in the previous 30 months to qualify as an eligible employee for the higher incentive of €10,000.

As outlined above, Programme Refugees and lone parents in receipt of JST can also be eligible for the scheme with no qualifying time period.

A jobseeker may verify their eligibility as an employee for the JobsPlus Incentive by applying on line at [www.jobsplus.ie](http://www.jobsplus.ie).

The Department will process this request from the jobseeker and revert with eligibility status by mailing a two part JP1 form to the jobseeker. Part A of the JP1 form will confirm eligibility and the rate of payment to a prospective employer should a jobseeker be employed and must be signed by the jobseeker. Part B is to be completed by the employer should they chose to employ the jobseeker.

### **2.2.2 Payment to employers**

In order for an employer to qualify for JobsPlus, they must complete the employee's JP1 form and return it to the JobsPlus Unit. It is at this point that the JobsPlus payment is set up and the employer will begin to receive the incentive.

The Department pays the incentive to the employer monthly in arrears over a two year period. It provides two levels of regular cash payments:

- A payment of €7,500 for each person recruited who has been unemployed for more than 12 but less than 24 months; or
- A payment of €10,000 for each person recruited who has been unemployed for more than 24 months.

### **2.2.3 Control and Oversight**

A number of control measures are in place to ensure that employers and employees meet the eligibility requirements of the scheme for the time that the employer is in payment. These measures are aimed at reducing the risks of overpayment and fraud. They include, but are not limited to:

- Automated checks to ensure that employees do not return to the Live Register while in a JobsPlus employment;
- Automated checks of the employer's tax compliance status before monthly payments issue;
- Checks that employees are not in receipt of other payments from DSP that would make them ineligible for JobsPlus including: Disability Benefit, Wage Subsidy Scheme, Maternity/Paternity Benefit, Back to Work Enterprise Allowance etc.;
- Checks to establish if any employee has moved to a new employer without returning to the Live Register; and
- Checks of employer PRSI contributions.

### **2.3 The objectives of JobsPlus**

The objective of the scheme is to provide an incentive to employers who offer full-time employment opportunities to the long-term unemployed. The financial incentive reduces the cost burden for an employer of hiring an employee. While the incentive is offered across a wide range of sectors and occupation areas, it is intended to support the creation of new positions or positions that arise as a result of natural turnover, rather than displacing existing employment or extending part-time positions.

The JobsPlus Rules and Qualifying Conditions state that the objectives are “to encourage employers and businesses to focus their recruitment efforts on those who have been out of work for long periods<sup>10</sup>”.

As outlined earlier, initially, JobsPlus was limited to supporting 2,500 employment places in 2013-2014, with further expansion being dependent on review at that stage. This was expanded to 3,000 in June 2014 and then to the current level of 6,000 in 2015.

---

<sup>10</sup> JobsPlus Rules and Qualifying Conditions - <http://www.welfare.ie/en/Pages/JobsPlus-Rules-and-Qualifying-Conditions.aspx>

### 3. How successful is JobsPlus?

In order to objectively evaluate the JobsPlus scheme, the Programme Logic Model evaluation framework was applied. This is the framework recommended by the Department of Public Expenditure and Reform's Irish Government Economic and Evaluation Service in their guidelines for Reviewing and Assessing Expenditure Programmes.

#### 3.1 Programme Logic Model

The Programme Logic Model (PLM) maps out the shape and logical linkages of a programme. It provides a systematic and visual way of representing the relationships between inputs, activities, outputs and outcomes (results and impacts). It is used in planning, implementation, monitoring and evaluation of programmes. The following is the PLM used to evaluate JobsPlus in this FPA:

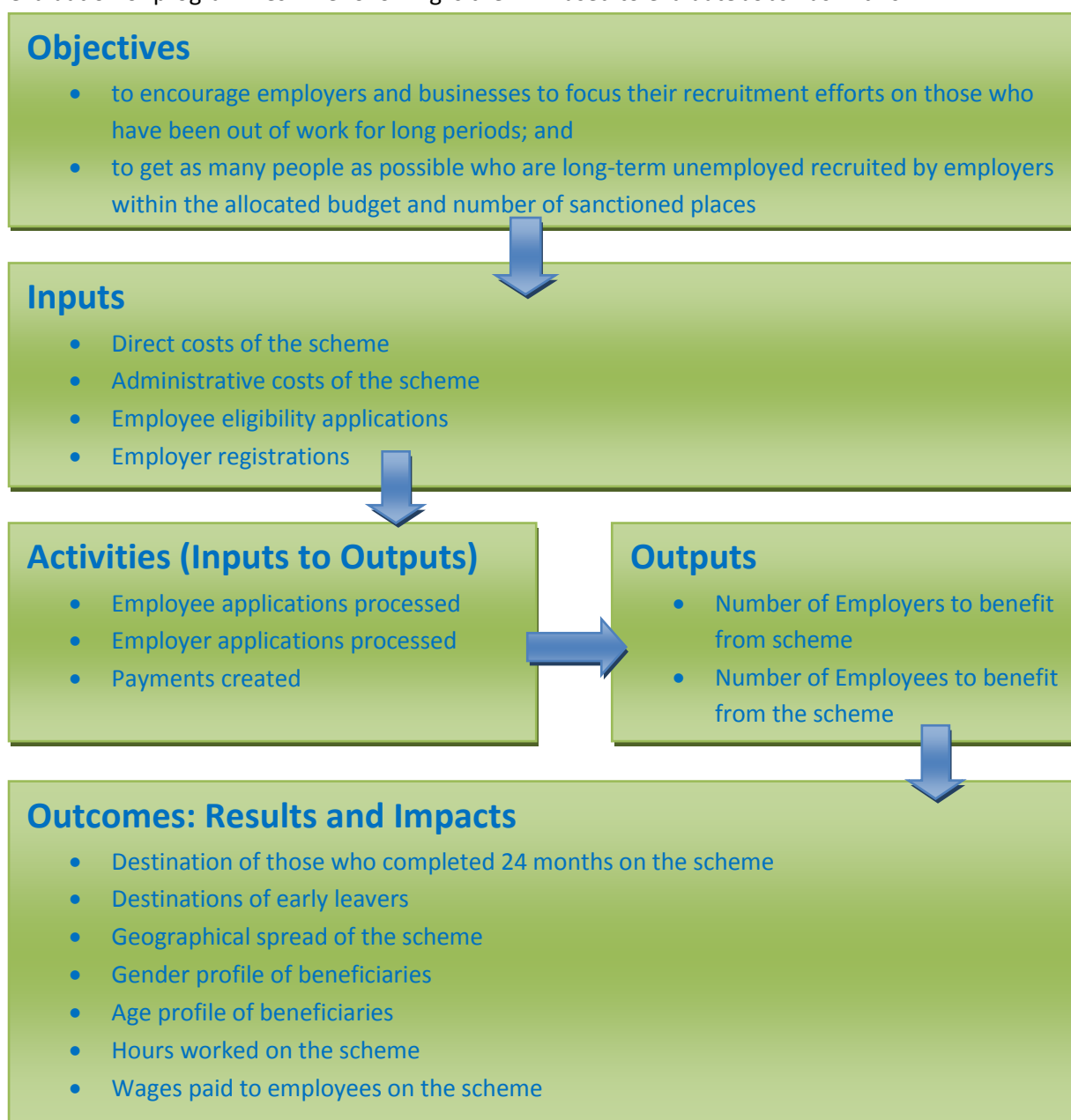


Figure 1: JobsPlus Programme Logic Model

## 3.2 Scheme Inputs

The inputs to JobsPlus include the applications made by jobseekers and employers to participate on the scheme. It also includes the resources made available to the scheme, i.e. the budget to finance the incentive paid to employers, as well as the administrative and staff costs of running the scheme.

### 3.2.1 Employee Eligibility Applications

As outlined in section 2 above, a jobseeker must verify their eligibility as an employee for JobsPlus by applying on-line at [www.jobsplus.ie](http://www.jobsplus.ie). The JobsPlus Unit will process this request from the jobseeker and revert with eligibility status by mailing a two part JP1 form to the jobseeker.

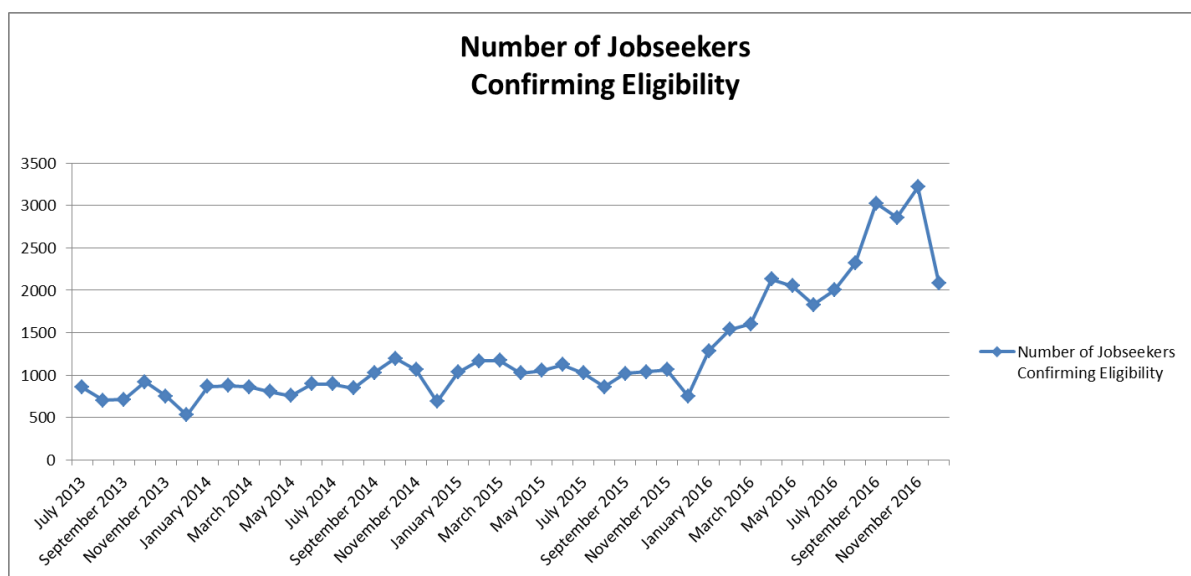


Figure 2: Number of Employee Eligibility Applications by Month

Employee eligibility applications remained fairly static at approximately 1,000 per month for the first 30 months of the scheme, from July 2013 until December 2015. However, in 2016 the number of applications increased quickly. By April, they were running at approximately 2,000 per month and by August at 3,000 per month. During this time JobPath<sup>11</sup> companies (Seetec and Turas Nua) have been encouraging clients of their service to establish their JobsPlus eligibility to present to prospective employers. It is worth noting, however, that these eligibility applications have not yet resulted in new jobs, as there has not yet been a corresponding increase in payments being made for new JobsPlus employees.

<sup>11</sup> JobPath is an approach to employment activation which caters mainly for people who are long-term unemployed. Participants on JobPath will receive intensive individual support to help them address barriers to employment and to assist them in finding jobs. Two companies (Seetec Limited and Turas Nua Limited) provide JobPath services. Jobseekers are selected on a random basis for referral to the programme. They will spend a year on JobPath and if they are placed into a job they may continue to receive support for the first year of employment. During their time on JobPath they may also be referred for further education and training opportunities.

### 3.2.2 Employer Registrations

In order to be eligible for JobsPlus, an employer must first register at [www.jobsplus.ie](http://www.jobsplus.ie). If the employer meets the eligibility requirements they will receive a confirmation email.

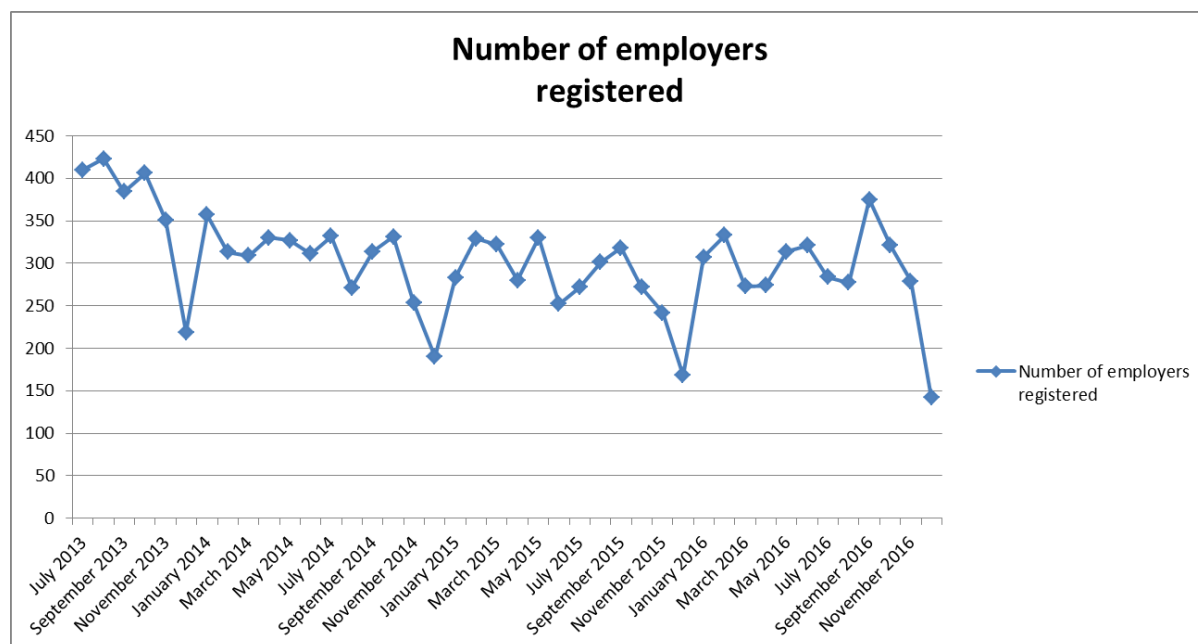


Figure 3: Number of Employers registered by Month

The number of employers registering per month has remained consistent throughout the lifetime of the scheme. The only real variation seen is a seasonal reduction of about 30% to 50% in employer applications in December of each year that the scheme has been running. The average number of registrations per month is 297.

### 3.2.3 Direct costs – Scheme Budget

In step with the increases in sanctioned places since the scheme began, the budget for JobsPlus has increased from €1.2m in 2013 to €27.24m in 2016, as set out in table 1 below.

Table 1: Annual Budget and Outturn

Annual Budget and Outturn					
	2013	2014	2015	2016	Total
<b>Budget</b>	€1.2m	€13.5m	€25.5m	€27.24m	€67.44m
<b>Outturn</b>	€1.04m	€11.88m	€22.63m	€23.99m	€59.54m
<b>Percentage</b>	86.67%	88%	88.75%	88%	88.29%

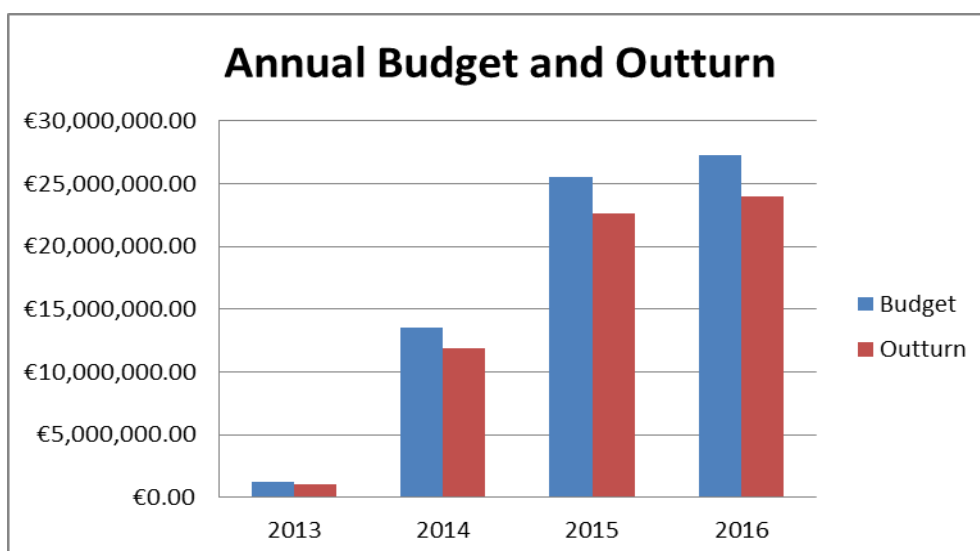


Figure 4: Annual Budget and Outturn

### 3.2.4 Indirect/Administrative Costs

The JobsPlus unit comprises two HEOs, two EOs and 9.46 full time equivalent COs. When the scheme began there were 1.5 HEOs, one EO and 7.5 COs in the Unit. Staffing levels were increased in 2015 as the scheme grew. The staffing costs for 2015 and 2016, broken down by grade are shown in table 2.

Table 2: JobsPlus Staff Costs

Grade	FTEs	Average Cost	Total
PO	0.2	€119,783.00	€23,956.60
AP	0.5	€101,866.00	€50,933.00
HEO	2	€77,472.00	€154,944.00
EO	1.73	€63,458.00	€109,782.34
CO	9.46	€49,403.00	€467,352.38
<b>Total</b>			<b>€806,968.32</b>

These figures show an average cost rather than an actual cost per grade. They follow D/PER guidelines and include PRSI, pension and other overheads. In 2013 and 2014, there was one HEO, one EO and two fewer COs. Costs for 2013 (six months) can be estimated at €292,000, with 2014 at €584,000. At approximately €807,000, staff costs represent 2.97% of the scheme budget of €27.24m in 2016. That gives total staff costs for the scheme as €2.49m. When combined with the total outturn on direct expenditure of €59.55m, the total cost of the scheme during the period under review was a little over €62m.

### 3.3 Scheme Activities

JobsPlus Unit personnel carry out a variety of tasks to ensure the continued smooth operation of the scheme. These include dealing with customer queries, maintaining and updating customer details, monitoring and control checks, reporting and testing. Some of their tasks constitute *activities* under the Programme Logic Model. In the PLM, activities are the actions performed on the programme inputs to produce the outputs of the programme. In effect, the activities are the tasks carried out by JobsPlus personnel to produce the outputs of the scheme. These include:

1. Processing employee eligibility applications and sending a JP1 form to the jobseeker;
2. Processing employer registrations and notifying the employer; and
3. Creating payments once the employer has recruited an eligible employee and returned the completed JP1 form to the JobsPlus Unit.

#### 3.3.1 Processing of Employee Eligibility Applications

Table 3 and the graph below show the number of JobsPlus employee eligibility applications processed during each year of the scheme up to and including 2016:

Table 3: Employee applications processed

Employee Applications Processed			
Year	Accepted	Rejected	Total
2013	3,396	835	4,231
2014	8,308	1,637	9,945
2015	11,085	1,469	12,554
2016	16,294	1,477	17,771
<b>Totals:</b>	<b>39,083</b>	<b>5,418</b>	<b>44,501</b>



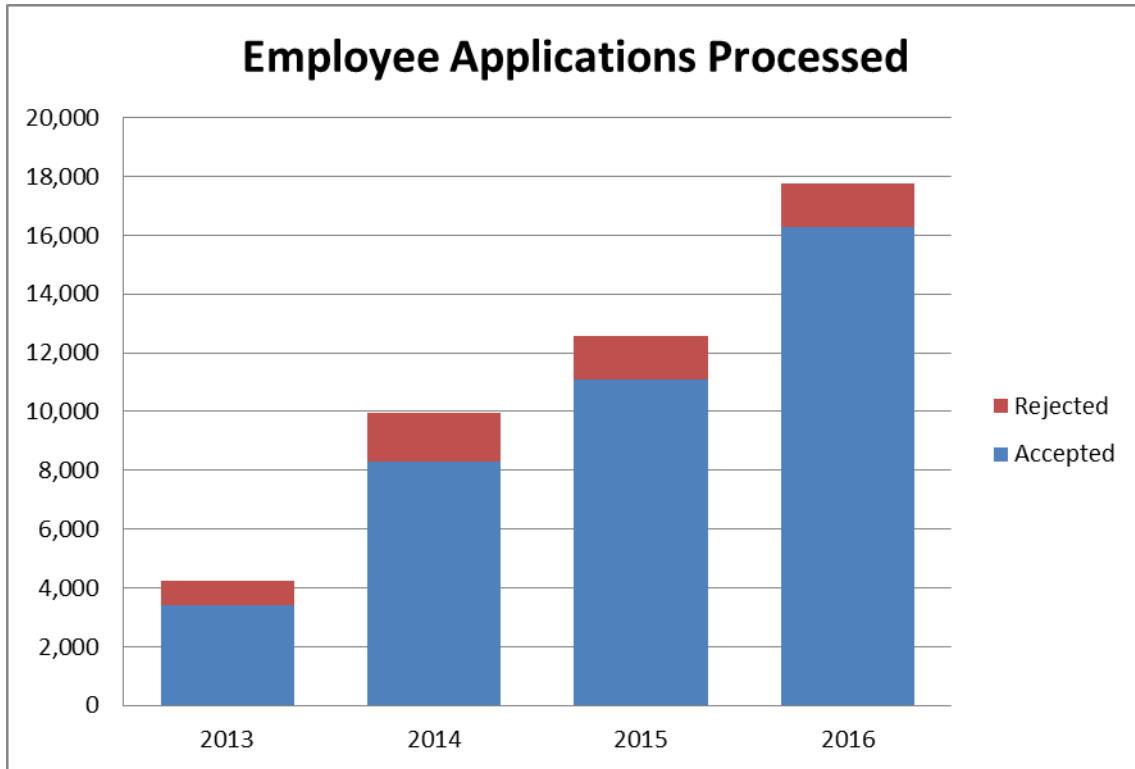


Figure 5: Employee application processed

The most common reasons for employee eligibility rejection include not being on the Live Register at the time of application or not having sufficient days on the Live Register to qualify for the scheme.

### 3.3.2 Processing of Employer Registrations

Table 4 and the graph below show the number of JobsPlus employer registrations processed during each year of the scheme up to and including 2016:

Table 4: Employer applications processed

Employer Applications Processed			
Year	Accepted	Rejected	Total
2013	2,030	41	2,071
2014	3,524	63	3,587
2015	3,126	249	3,375
2016	2,746	136	2,882
<b>Totals:</b>	<b>11,426</b>	<b>489</b>	<b>11,915</b>

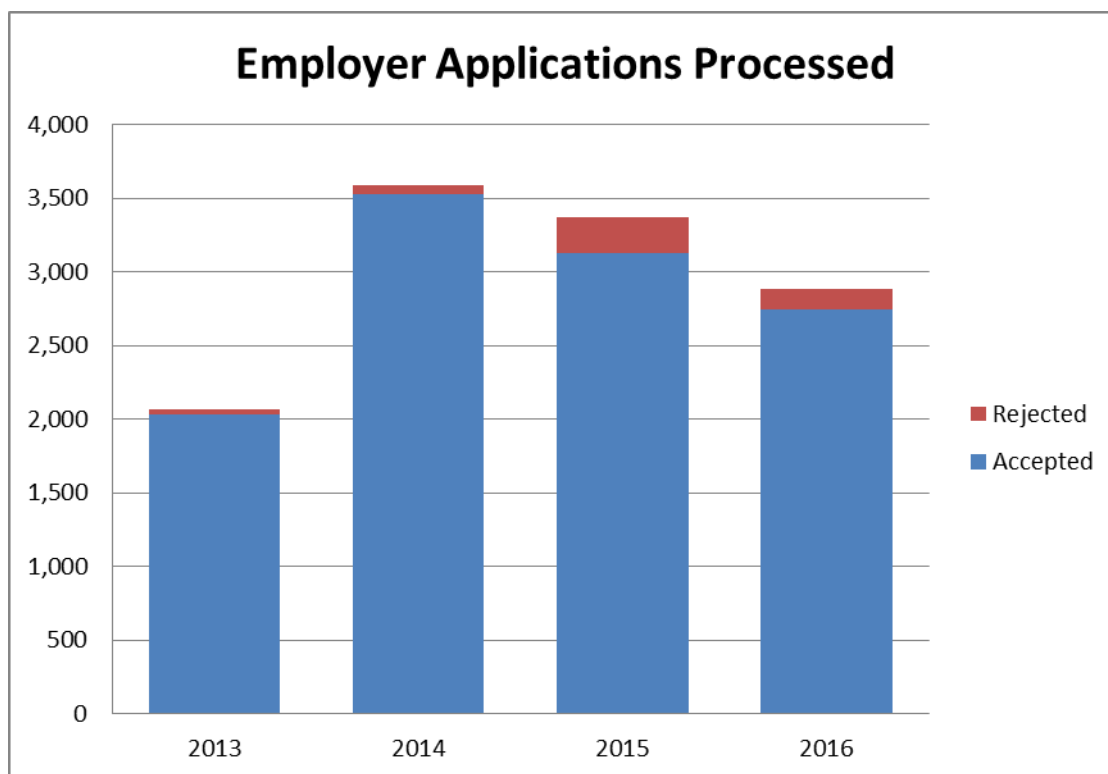


Figure 6: Employer applications processed

The employer must indicate that they are meeting the conditions of the scheme regarding tax compliance, the creation of full-time employment and an increase in workforce size. The most common reason for rejecting employer registrations is invalid data supplied at the time of application.

### 3.3.3 Creation of Payments

Up to the end of 2016, a total of 12,161 positions had been supported through the JobsPlus scheme. The creation of a payment is directly equivalent to the creation of a new employment on JobsPlus.

Table 5: Payments created

Year	Payments created
2013	1,138
2014	3,610
2015	3,638
2016	3,775
	<b>12,161</b>

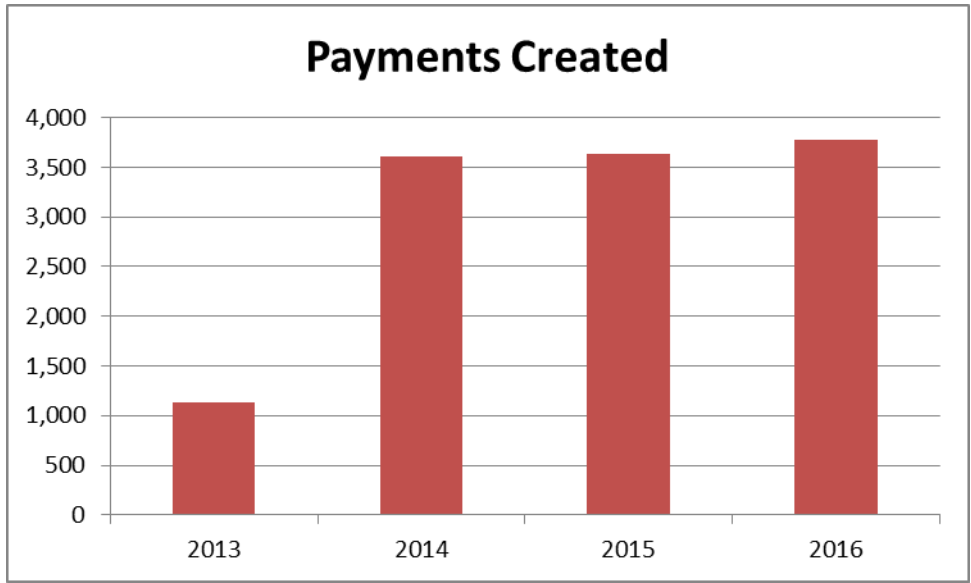


Figure 7: Payments created

### 3.4 Scheme Outputs

In the PLM, outputs are whatever goods or services are produced by the programme. In the case of JobsPlus, the outputs are grants paid to employers in respect of JobsPlus employees that they have recruited.

#### 3.4.1 Number of employers to benefit from the scheme

On an annual basis, payments to new employers were as follows:

Table 6: New employers paid

Year	New Employers Paid
2013	912
2014	2,475
2015	2,243
2016	2,376
Total	8,006

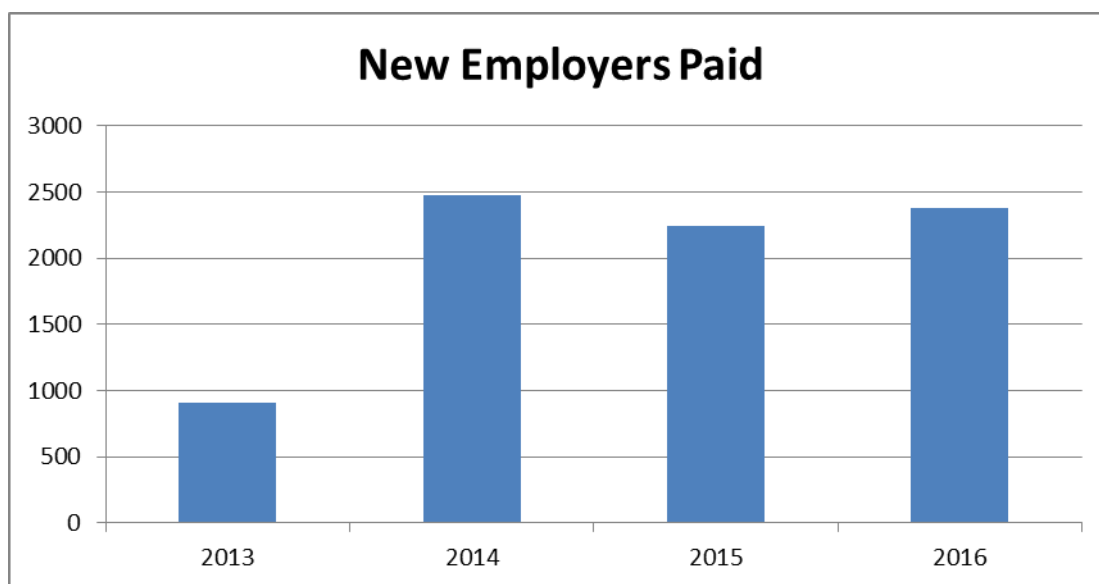


Figure 8: New employers paid

The overall number of unique employers to benefit from the scheme up to the end of 2016 was 8,006. As outlined earlier, the cost of the scheme during this time was €62m, giving an average cost per employer of €7,744. The graph below shows the number of employers in payment at any one time:

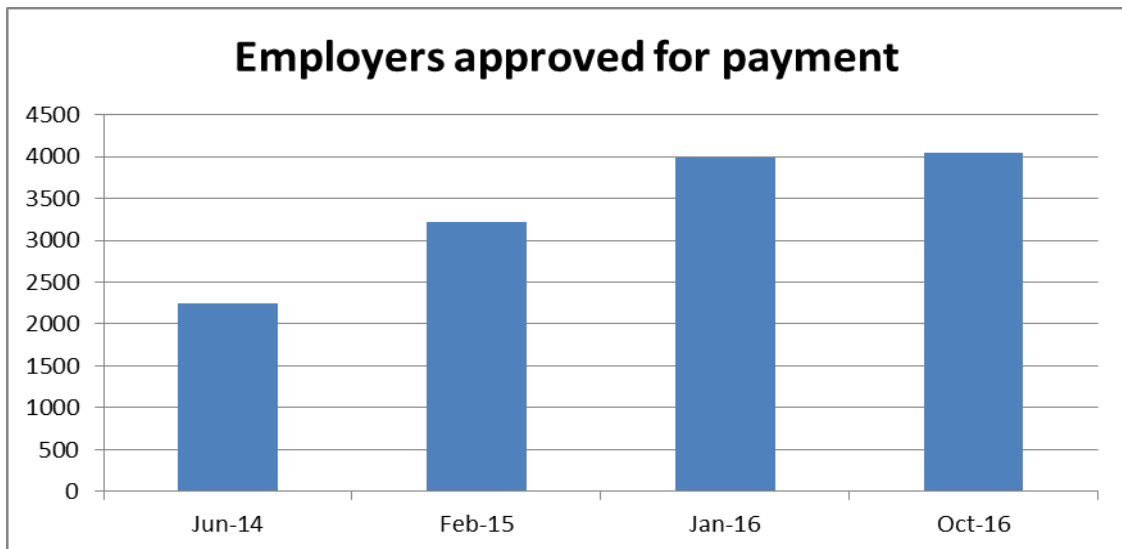


Figure 9: JobsPlus Employers in payment

The number of employers in payment at any one time has increased steadily as the scheme expanded to its current sanction of 6,000 employee places in 2015.

The breakdown of payment size shows that more than twice as many employers are paid at the higher (€10,000) rate than at the lower (€7,500) rate. This indicates that the two-tiered approach to the level of the incentive has been successful in targeting the scheme at those on the Live Register for longer periods of time. This is a useful consideration when evaluating any future adjustments to the scheme in a changing labour market - such as targeting those who are unemployed for three years or longer.

The weighted average payment level at October 2016 was €9,238.50<sup>12</sup>.

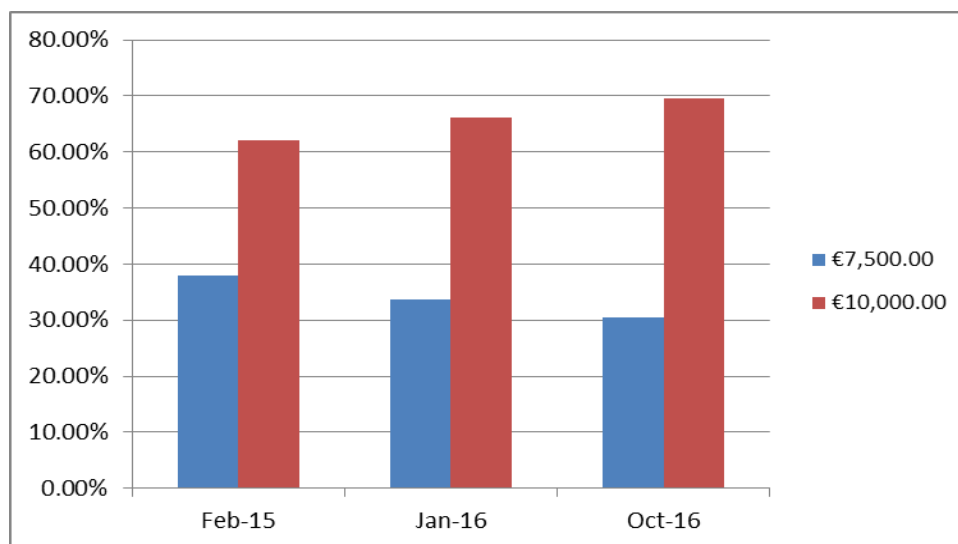


Figure 10: Trends in JobsPlus payment levels

<sup>12</sup> (€10,000 x 69.54%) + (€7,500 x 30.46%)

Over 98% of the employers that have benefitted from JobsPlus have used the scheme to employ five people or fewer.

**Table 7: Number of JobsPlus employees per Employer**

<b>Number of Employers</b>	<b>Number of JobsPlus Employees</b>
5,911	<b>1</b>
1,271	<b>2</b>
416	<b>3</b>
174	<b>4</b>
78	<b>5</b>
41	<b>6</b>
31	<b>7</b>
18	<b>8</b>
8	<b>9</b>
8	<b>10</b>
7	<b>11</b>
10	<b>12</b>
6	<b>13</b>
1	<b>14</b>
1	<b>15</b>
1	<b>16</b>
3	<b>17</b>
3	<b>18</b>
1	<b>19</b>
6	<b>20</b>
6	<b>20-30</b>
5	<b>31 or more</b>
<b>Total: 8,006</b>	

Smaller businesses are more likely to be beneficiaries of the scheme with almost 65% of supported employers having fewer than 10 employees. Fewer larger firms/employers have utilised the scheme. As outlined earlier, one of the scheme’s objectives was to reduce the cost burden for an employer of hiring an employee. It is likely that this reduction in cost burden will be more keenly felt by smaller employers, thus making them more likely to utilise the scheme.

Table 8 shows the number of JobsPlus employees taken on by company size. Companies of 1-10 employees have taken on an average of 1.3 JobsPlus employees. Companies of over 1,000 workers have taken on an average of 13 JobsPlus employees. The fact that JobsPlus employees represent small sections of their workforces would point to little displacement of existing workers by the scheme.

Table 8: Number of JobsPlus employees by company workforce size

Workforce Size	No of Employers	Average No of JobsPlus Employees
10 employees or less	5404	1.29
11-19 employees	992	1.64
20-29 employees	483	1.77
30-50 employees	452	2.23
51-100 employees	360	2.39
101-150 employees	126	2.72
151-250 employees	89	3.2
251-500 employees	64	3.75
501-750 employees	15	3.8
751-1000 employees	7	6
1001 or more employees	14	13

### 3.4.2 Number of employees to benefit from the scheme

Up to the end of 2016, a total of 12,161 positions had been supported through the JobsPlus scheme. This directly equates to the number of payments shown in section 3 above. The €62m cost of the scheme during this time means an average cost per position of €5,098.

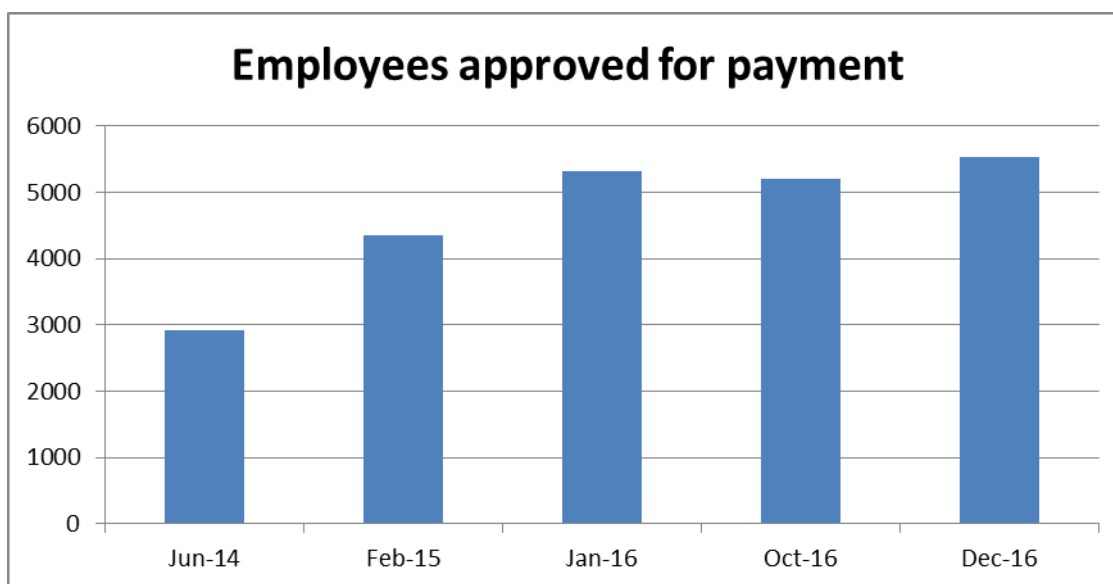


Figure 11: JobsPlus Employees for whom the Employer was paid

The above graph shows the trend in the numbers of employees for whom the employer was paid on JobsPlus at any one time.

### 3.5 Outcomes: Results and Impacts

In PLM, the results of the programme are the effects of the outputs on the targeted beneficiaries in the short to medium-term. In the case of JobsPlus, these are the effects the grant payments had on employers and the employees they recruited. PLM impacts are the wider effects of the programme from a sectoral or national perspective.

The figure below shows the sanctioned places and budget since the scheme began.

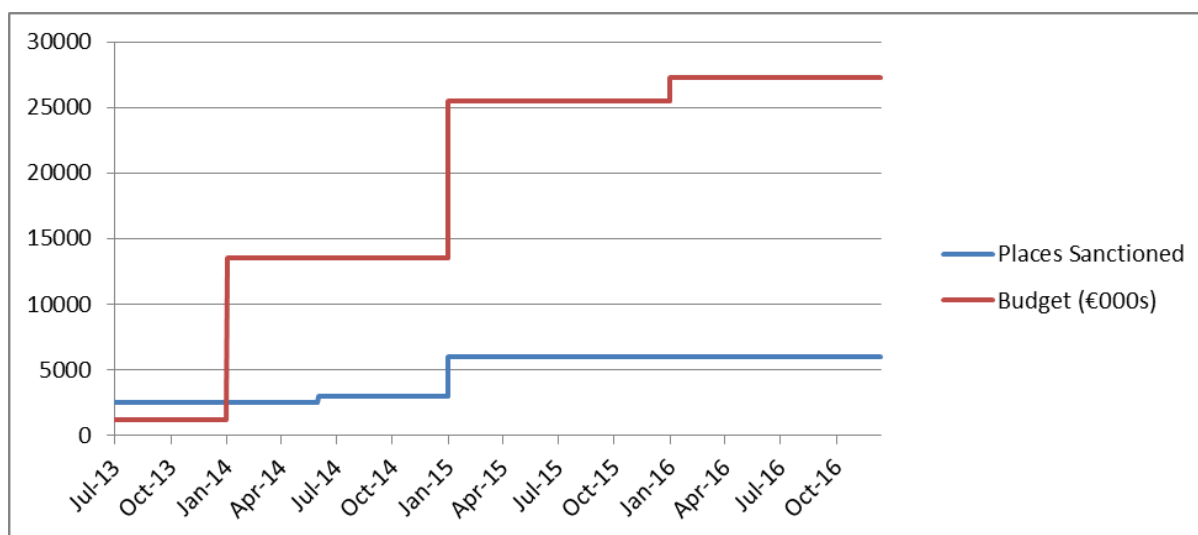


Figure 12: Sanctioned Places and Budget

Section 3.5.1, below, is an analysis of outcomes for a specific group of 1,727 employee participants who commenced on the scheme during a six month period from March to August 2014. The remaining parts of section 3.5 (3.5.2 to 3.5.6) provide information on several measures of the impact of JobsPlus as a whole, at various points during the lifetime of the scheme. These measures include the geographical impact of the scheme, participant gender and age profiles, hours worked and wages paid.



### 3.5.1 Analysis of Outcomes for Employees who started on the scheme between March and August 2014

An analysis was carried out on a sample group of 1,727 employees who started on JobsPlus in a six month period between 1<sup>st</sup> March and 31<sup>st</sup> August 2014. This group was chosen because their start date is long enough in the past to allow for a full analysis of their progress over 24 months and beyond. They also started at least 9 months after the scheme began, when systems and processes had bedded down. This sample represents 14% of the total number of employees who have participated on the scheme overall.

#### 3.5.1.1 Employee Profile

The profile of these employees is as follows:

##### *(a) Gender*

Overall, 493 (28.5%) are female, 1,234 (71.5%) are male.

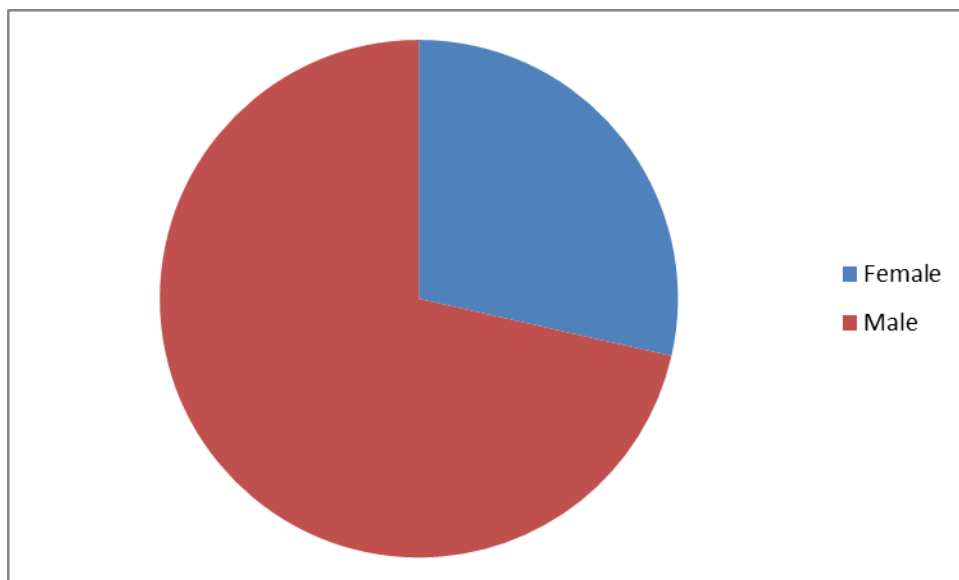


Figure 13: Gender profile of sample group

**(b) Duration of Unemployment**

Prior to starting on JobsPlus, 600 (34.7%) were on the Live Register for more than one year but less than two years while 1,127 (65.3%) were on the Live Register for more than two years.

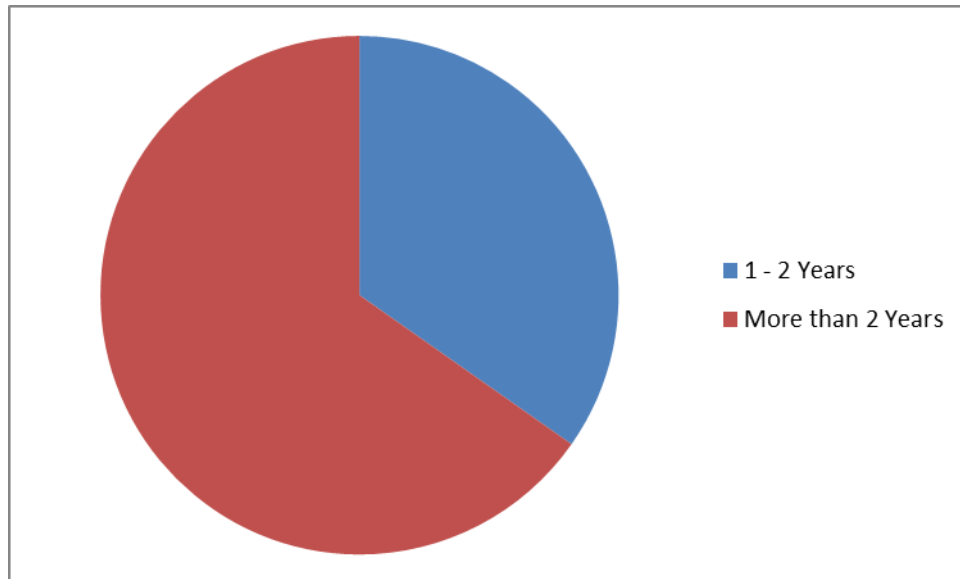


Figure 14: Duration unemployed of sample group

**(c) Age Profile**

In terms of age, 316 (18.3%) were aged under 25 when starting on the scheme while 1,411 were 25 or over. The full age profile is given in the graph below:

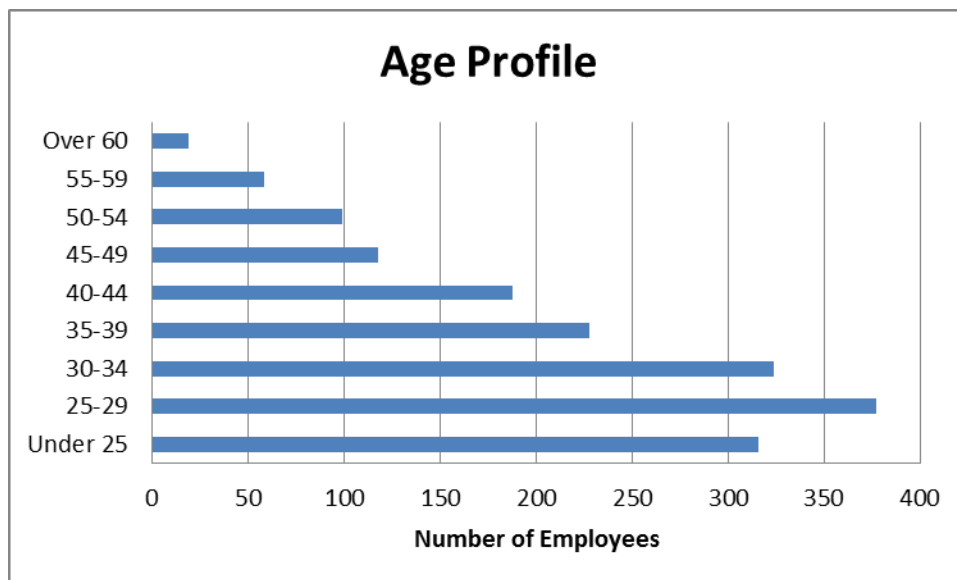
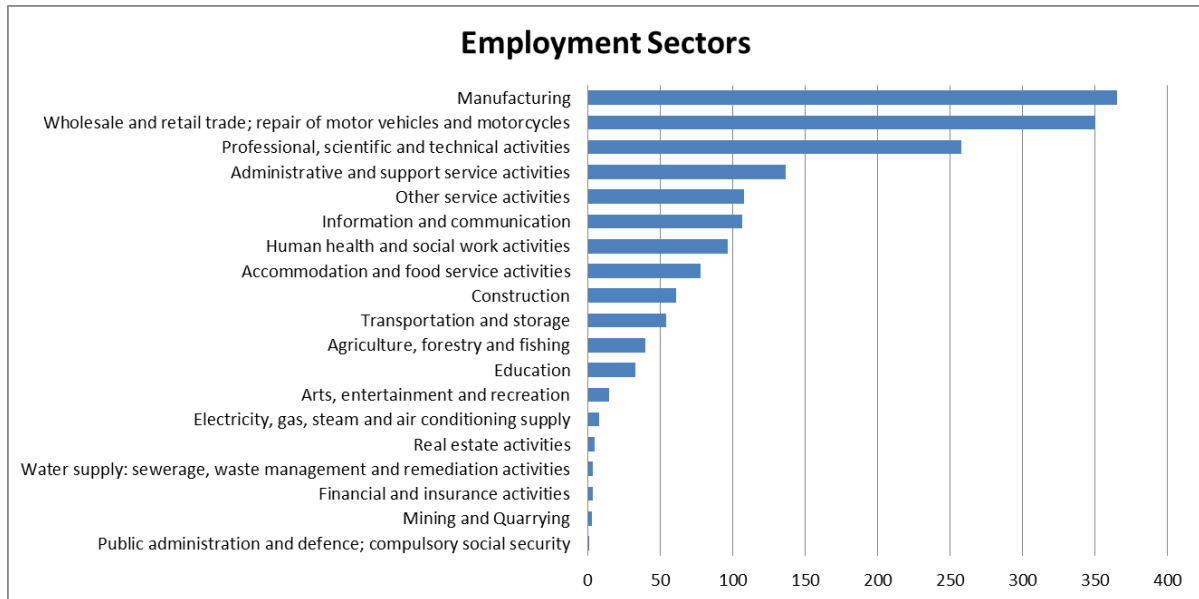


Figure 15: Age profile of employees in sample group

### **(d) Economic Sector**

The economic sectors of the employers of these 1,727 participants are shown in the following graph:



**Figure 16: Economic Sectors of JobsPlus employers in the sample group**

The top three sectors (1. "Manufacturing", 2. "Wholesale and retail trade; repair of motor vehicles and motorcycles" and 3. "Professional, scientific and technical activities") accounted for 973 or 56% of the positions obtained by the sample participants.

According to CSO statistics for quarter four of 2016, the top two sectors in the general population of employed people in Ireland are: 1. "Wholesale and retail trade, repair of motor vehicles and motorcycles" and 2. "Industry" (which includes "Manufacturing").

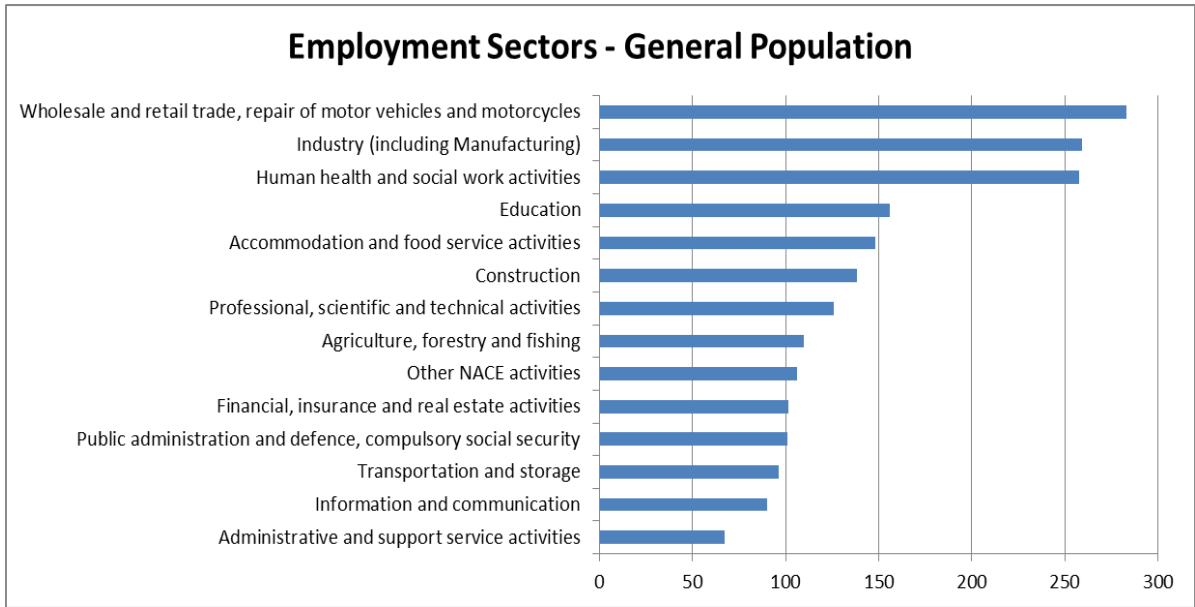


Figure 17: Economic Sectors of the general population of employed people in Ireland (Q4, 2016)

### 3.5.1.2 Key Outcomes

The Department's data sources were queried to see if the sample group of employees were in receipt of other DSP payments at approximately six monthly intervals: September 2014, March 2015, September 2015, March 2016, September 2016 and finally February 2017.

The key outcomes for the target group of 1,727 employees are as follows:

#### ***(a) Returns to the Live Register***

As of February 2017:

- 1,503 participants (87%) were not on the Live Register; and
- 224 participants (13%) were back on the Live Register.

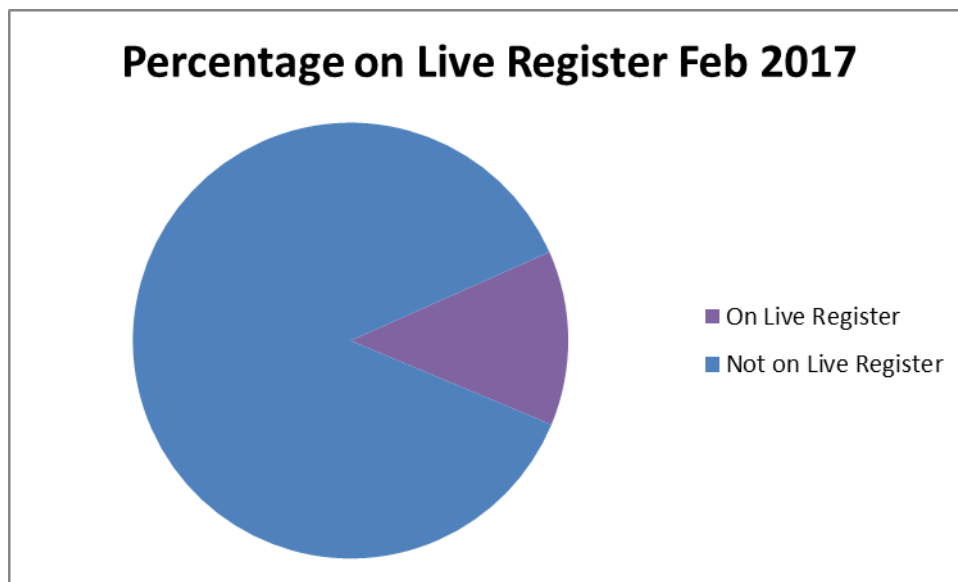


Figure 18: Percentage of employees on Live Register at February 2107

Of the 224 that were back on the Live Register:

- 162 were on the Live Register for more than two years prior to starting JobsPlus; and
- 62 were on the Live Register for between one and two years prior to starting JobsPlus.

This indicates that those who had previously been unemployed for longer were more likely to return to the Live Register.

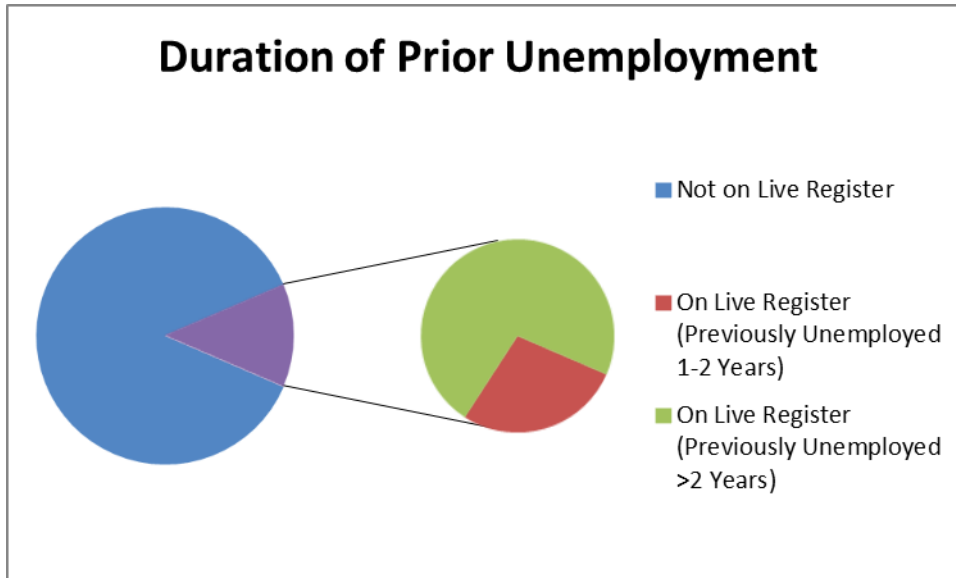


Figure 19: Duration of unemployment prior to commencing JobsPlus

**(b) Completion Rate**

- 751 employees (43.5%) completed 24 months on JobsPlus; and
- 976 employees (56.5%) did not complete 24 months on JobsPlus.

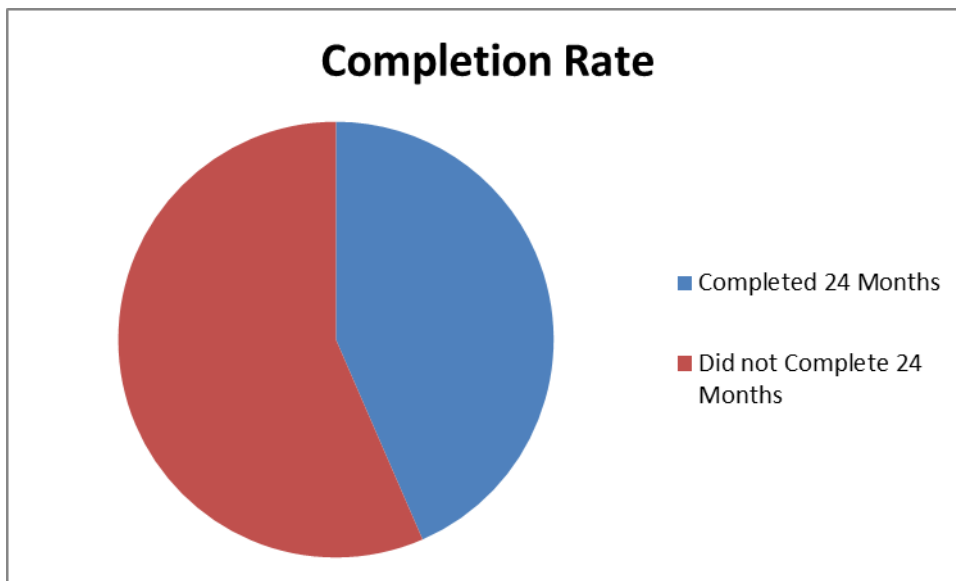


Figure 20: Proportion who completed 24 months on JobsPlus

Overall, as of February 2017:

- Of the 751 who completed 24 months, 39 (5.2%) were back on the Live Register; and
- Of the 976 who did not complete 24 months, 185 (19%) were back on the Live Register.

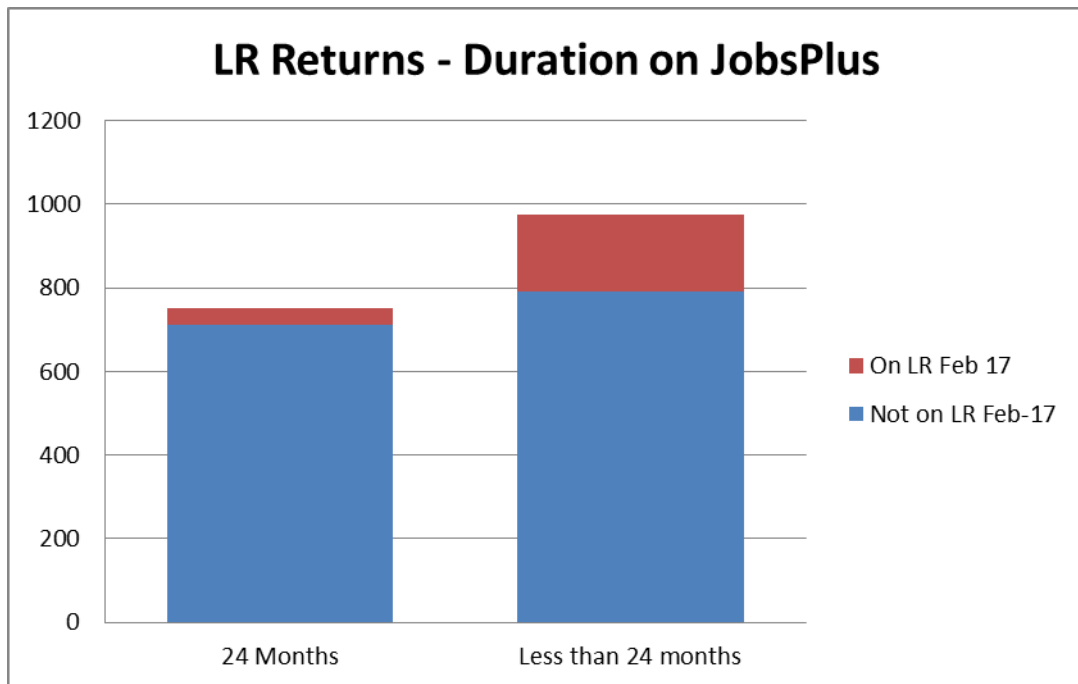


Figure 21: Returns to Live Register for completers and non-completers

While a 43.5% completion rate may appear low, in fact an early exit from JobsPlus does not necessarily indicate a negative outcome. Over 35% of early leavers were confirmed to be still in work (see table 11 below). Most of these were in work with another employer and so could be considered to have used JobsPlus as a stepping stone into other employment. Over 80% of early leavers remain off the Live Register.

However, remaining on JobsPlus longer leads to the most favourable outcomes. As the following table and graph show, the longer the participant remained on JobsPlus, the less likely they were to be on the Live Register now, or to have returned to the Live Register at any time during the period under review.

Table 9: Employee outcomes based on length of time on JobsPlus

Months Paid	Count	Returned to LR	% Returned to LR	On LR Feb-17	% On LR Feb '17
1	27	21	77.78%	6	22.22%
2	32	22	68.75%	10	31.25%
3	41	27	65.85%	14	34.15%
4	35	21	60.00%	9	25.71%
5	52	33	63.46%	14	26.92%
6	57	40	70.18%	9	15.79%
7	46	31	67.39%	13	28.26%
8	45	27	60.00%	10	22.22%
9	36	22	61.11%	7	19.44%
10	44	24	54.55%	10	22.73%
11	29	16	55.17%	4	13.79%
12	38	23	60.53%	9	23.68%
13	41	17	41.46%	10	24.39%
14	36	16	44.44%	4	11.11%
15	22	9	40.91%	2	9.09%
16	28	13	46.43%	6	21.43%
17	42	7	16.67%	3	7.14%
18	42	16	38.10%	5	11.90%
19	59	18	30.51%	12	20.34%
20	39	13	33.33%	4	10.26%
21	52	14	26.92%	6	11.54%
22	67	16	23.88%	9	13.43%
23	66	14	21.21%	9	13.64%
24	751	71	9.45%	39	5.19%



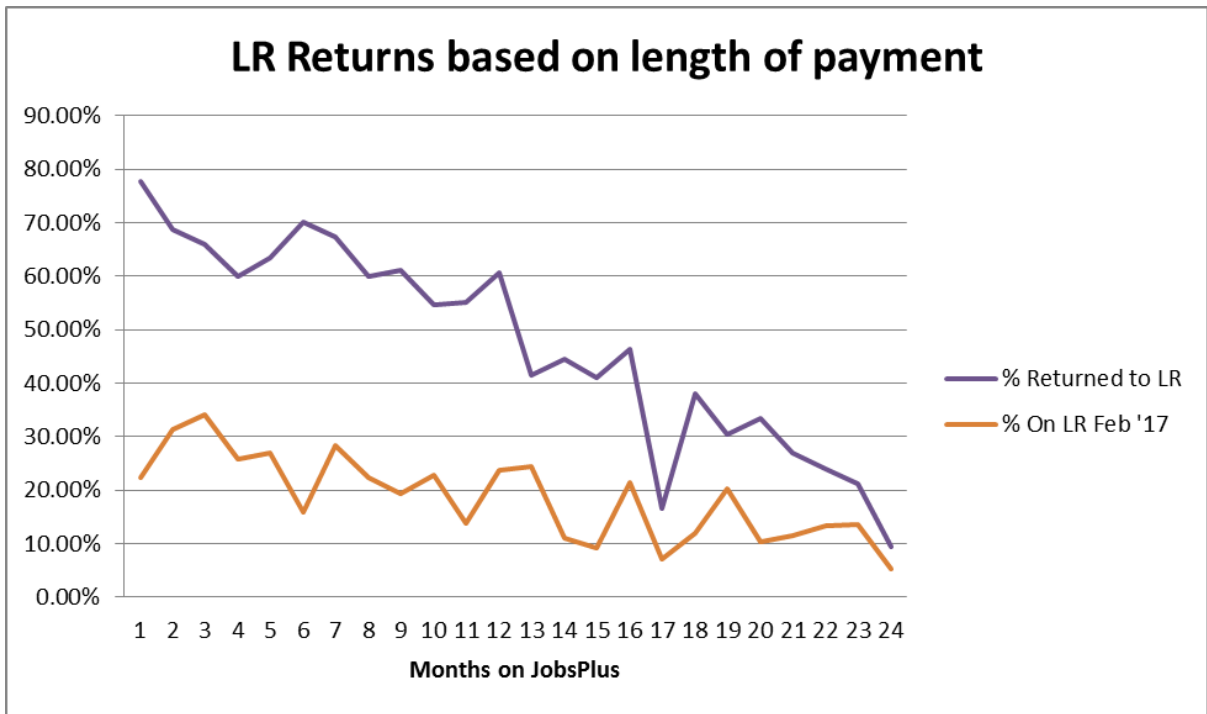


Figure 22: LR Returns for JobsPlus Employees in the sample group

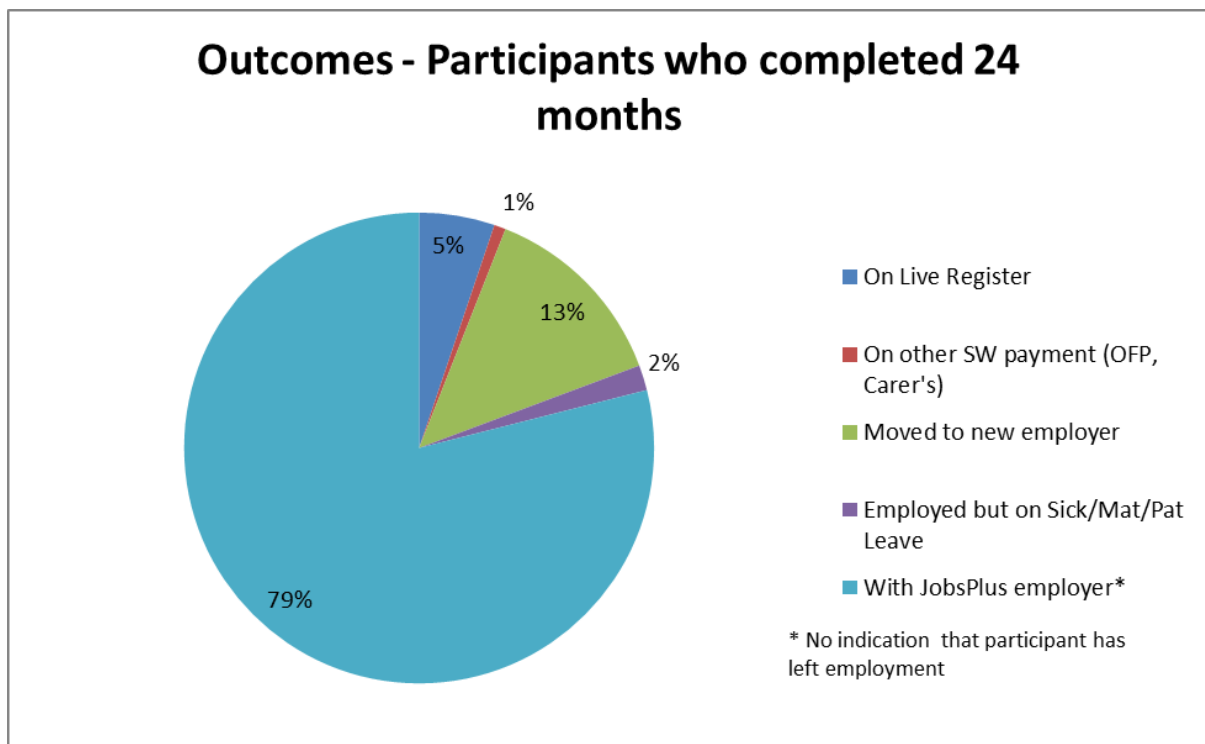
As well as tracking those who returned to the Live Register, departmental records were also queried to establish if participants were in receipt of other social welfare payments after they had commenced on JobsPlus. Outcomes for those who completed 24 months on the scheme are shown in the table and chart below:

**Table 10: Outcomes of sample group participants who completed 24 months on JobsPlus**

On Live Register	39	5.19%
On other SW payment (OFP, Carer's)	6	0.80%
Moved to new employer	100	13.32%
Employed but on Sick/Mat/Pat Leave	13	1.73%
With JobsPlus employer*	593	78.96%
<b>Total</b>	<b>751</b>	<b>100.00%</b>

\* No indication that participant has left employment

As the figures show, this represents a very positive result with over 94% still in employment and just over 5% back on the Live Register.



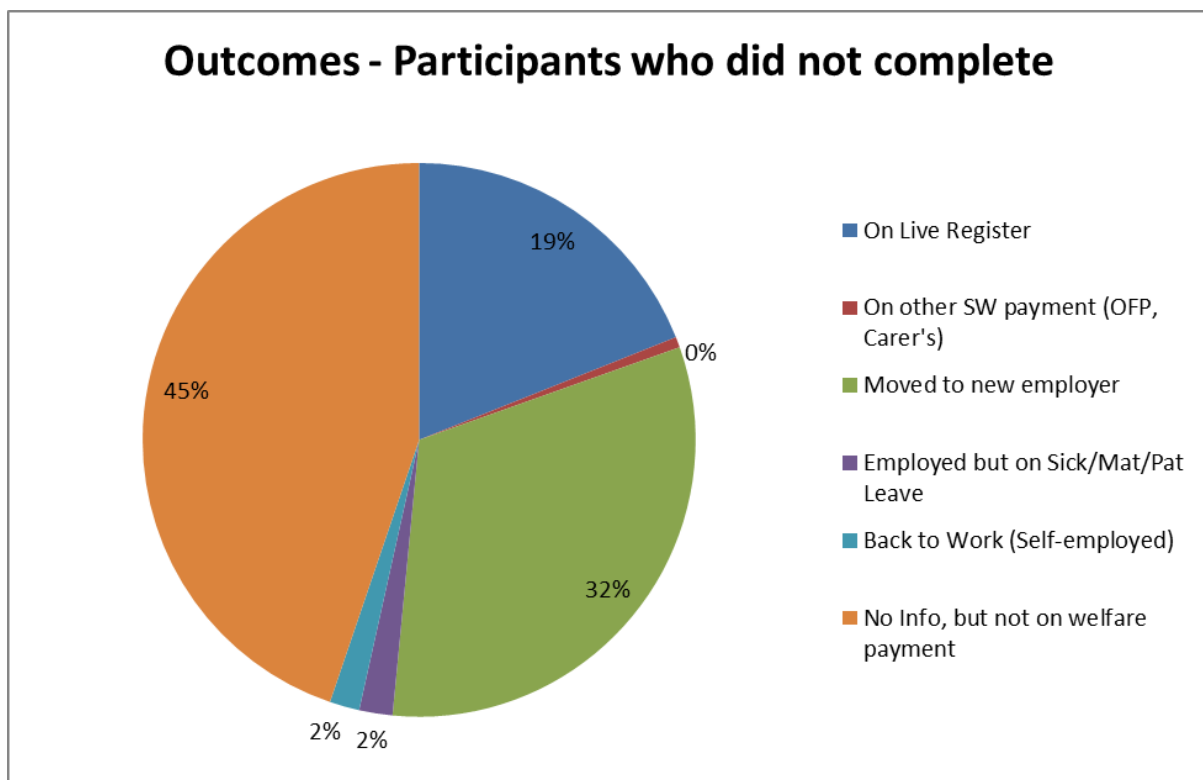
**Figure 23: Outcomes of sample group participants who completed 24 months on JobsPlus**

Outcomes for those who left their JobsPlus employment before completing 24 months are shown in the table and chart below:

**Table 11: Outcomes of sample group participants who did not complete 24 months on JobsPlus**

On Live Register	185	18.95%
On other SW payment (OFP, Carer's)	6	0.61%
Moved to new employer	312	31.97%
Employed but on Sick/Mat/Pat Leave	19	1.95%
Back to Work (Self-employed)	17	1.74%
Not on welfare payment, but no further information available	437	44.77%
<b>Total</b>	<b>976</b>	<b>100.00%</b>

As the figures show, for participants who left JobsPlus early, outcomes are less clear. Over 80% are no longer on the Live Register. This represents a positive result when compare with normal exit rates from the Live Register for those who are long-term unemployed (see section 3.6.1). The lack of further data for 45% of these participants means it is difficult to draw definitive conclusions for them.



**Figure 24: Outcomes of sample group participants who did not complete 24 months on JobsPlus**

**(c) Duration of Unemployment**

Of the 600 who were on the Live Register for between one and two years prior to starting on JobsPlus, 62 (10.3%) were on the Live Register in February 2017.

Of the 1127 who were on the Live Register for more than two years prior to starting on JobsPlus, 162 (14.4%) were on the Live Register in February 2017.

This indicates that those who had previously been unemployed for longer were more likely to return to the Live Register.

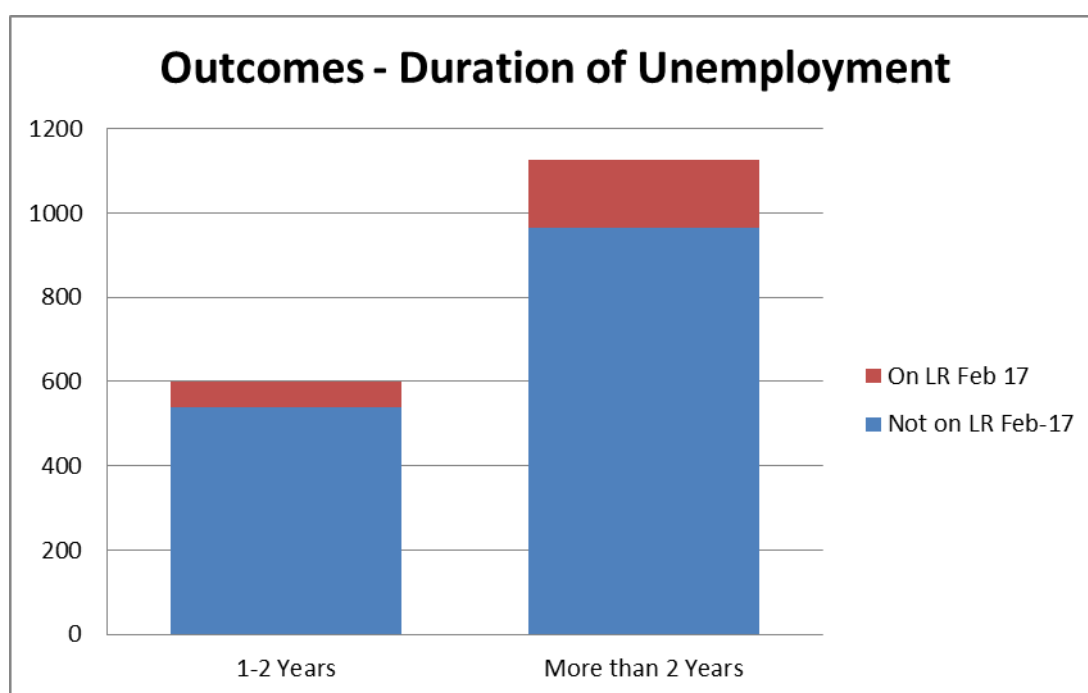


Figure 25: Outcomes by duration of prior unemployment

**(d) Outcomes by Age**

The following table and graph show the outcomes by age of the sample group:

Table 12: Outcomes by age

Age When Starting JobsPlus	Number	Not on LR Feb-17	On LR Feb 17	% on LR
Under 25	316	276	40	12.66%
25-34	701	613	88	12.55%
35-44	416	373	43	10.34%
45-54	217	182	35	16.13%
Over 55	77	59	18	23.38%

The outcomes were more favourable for younger workers, and less favourable for older ones. However, the sample group was small, with only 77 employees above the age of 55. This reflects the

overall age demographic of those on the scheme.

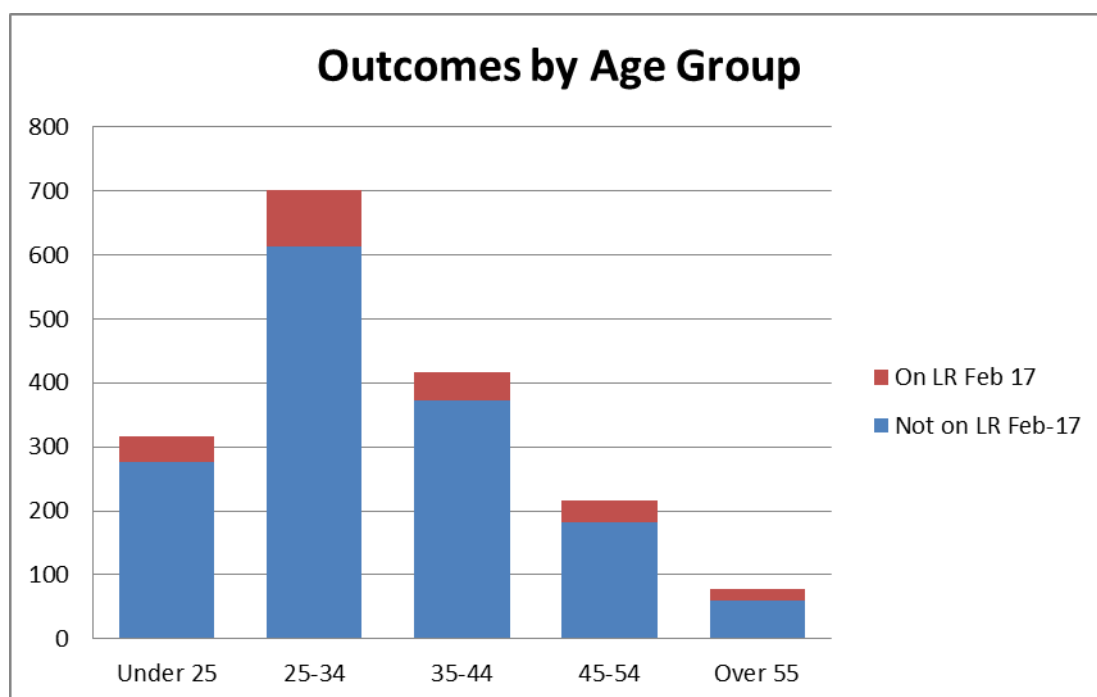


Figure 26: Outcomes by age group

### (e) Outcomes by Gender

Rates of return to the Live Register for male and female participants in the sample group were broadly similar, as outlined in table 13 below.

Table 13: Outcomes by gender

Gender	Number	On LR Feb-17	Percentage on LR
Female	493	60	12.17%
Male	1234	164	13.29%

### (f) Summary

**Between 30 and 36 months after commencing on JobsPlus:**

- **over 94% of those who completed 24 months were not on the Live Register;**
- **over 80% of those who did not complete 24 months were not on the Live Register;**
- **almost 90% of those previously unemployed for between one and two years were not on the Live Register;**

- *over 85% of those previously unemployed for over two years were not on the Live Register;*
- *older workers were more likely to return to the Live Register; and*
- *results for male and female workers were broadly similar.*

***Overall, 43.5% of employees completed 24 months on JobsPlus, 56.5% did not.***

These outcomes will provide a useful basis for comparison in the forthcoming counterfactual analysis.

### 3.5.2 Geographical impact of JobsPlus

JobsPlus is available without restriction to employers throughout Ireland. Employers must record the county in which their business is based when registering for JobsPlus. Similarly, employees record their county of residence when registering. An analysis of this data shows that the distributions of JobsPlus employers and employees closely follow the distribution of the general population, as per CSO data.

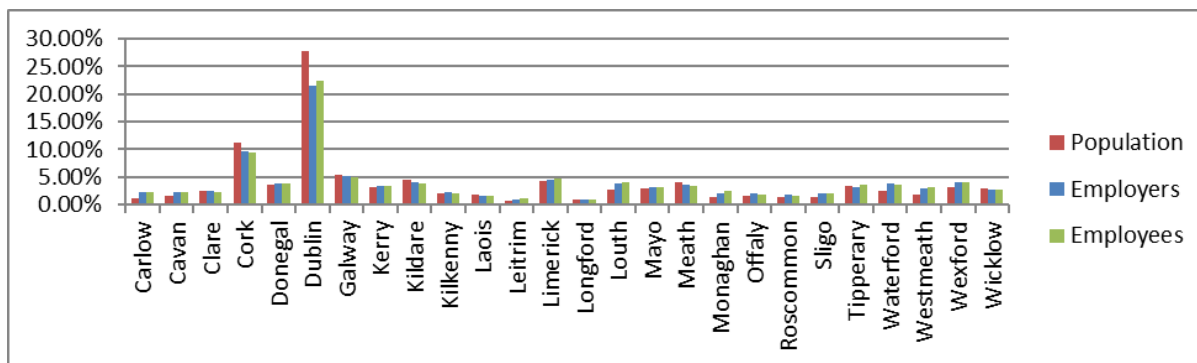


Figure 27: Distribution of JobsPlus employers and employees versus the general population

The distribution of JobsPlus employees also closely matches the distribution of those on the Live Register.

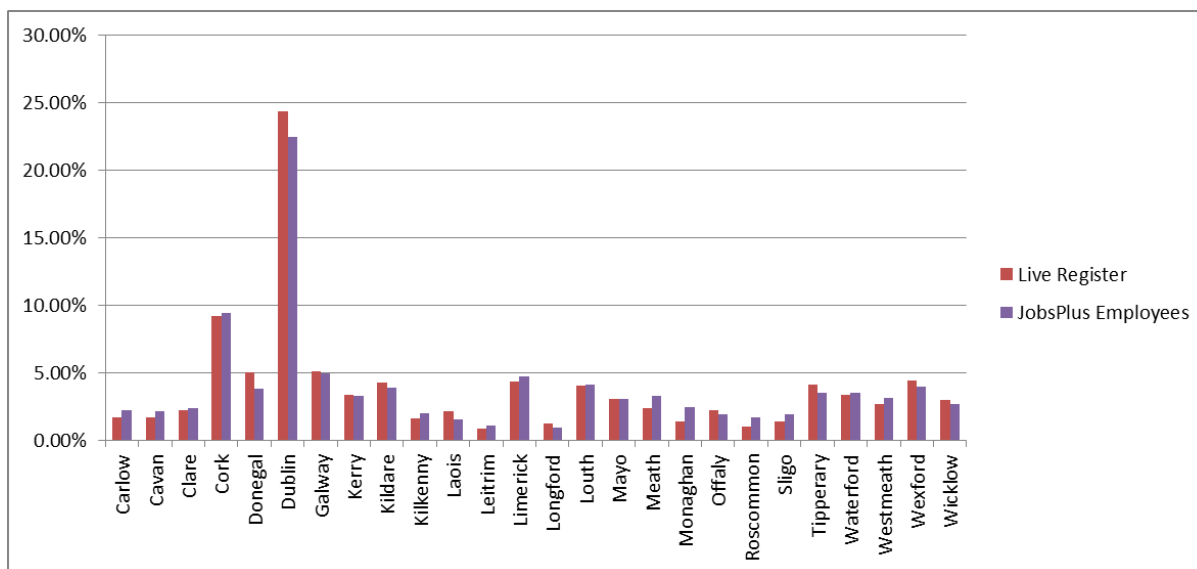


Figure 28: Distribution of JobsPlus employees versus those on the Live Register

### 3.5.3 Employee gender profile

In December 2016, approximately 67% of employees recruited under JobsPlus were male and 33% were female. This is close to, but does not exactly match, the gender profile of people who are long-term unemployed. CSO figures for that month show that 62% of people who are long-term unemployed were male, with 38% female.

The opening of the scheme to recipients of the JST payment in 2015 may have helped address any disparity in the gender profile of the scheme when compared to the Live Register. While 28% of JobsPlus payments were made in respect of female employees in February 2015, this had risen to 33% by October 2016.

Table 14: Trends in Gender Profile of JobsPlus employees

	Gender	JobsPlus	Live Register 12-24 months	Live Register >24 months
Feb-15	Male	72%	60%	73%
	Female	28%	40%	27%
Jan-16	Male	68%	56%	74%
	Female	32%	44%	26%
Oct-16	Male	67%	57%	73%
	Female	33%	43%	27%

### 3.5.4 Age profile of scheme beneficiaries

The age profile of JobsPlus employees shows that over 40% of beneficiaries are under the age of 30. In contrast, fewer than 10% are aged over 50. The most recent available statistics for long-term unemployed show that 28% are over the age of 55 (Source: CSO, Feb 2017). This indicates an area where the scheme could be re-targeted. The scheme was previously modified to benefit people under the age of 25 as a measure to tackle youth unemployment. These age profile figures suggest a similar re-targeting of the scheme for older unemployed people could be justified.



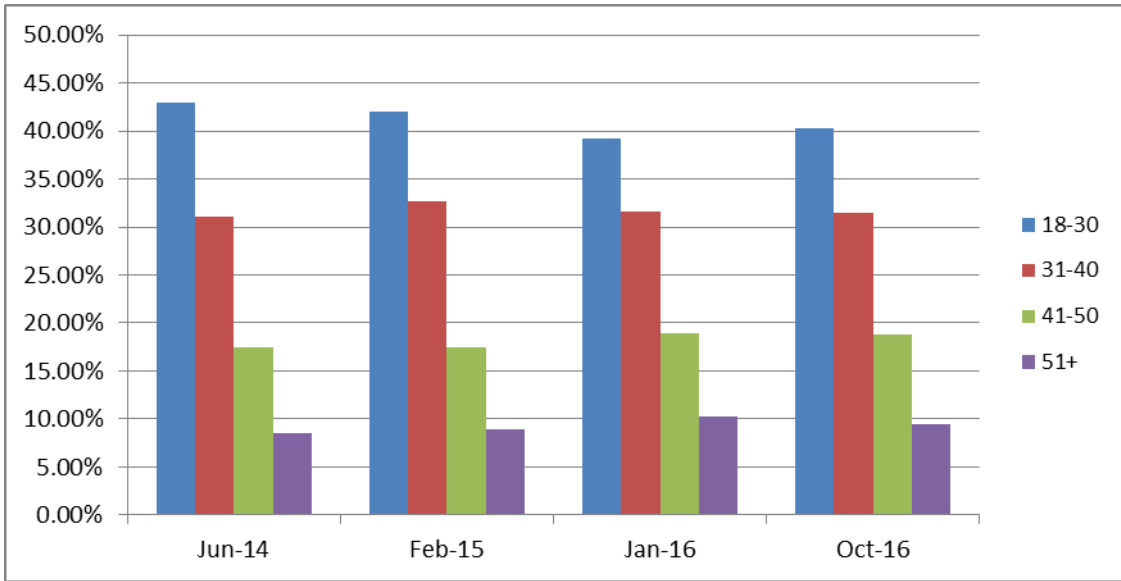


Figure 29: Trend in age profile of JobsPlus employees

Allowing for the possibility that JobsPlus Youth may be causing a bias in the age of employees, the chart below shows the age profile with under 25s removed. Again this shows that the over 50s are poorly represented, with less than 10% of employees in that age group.

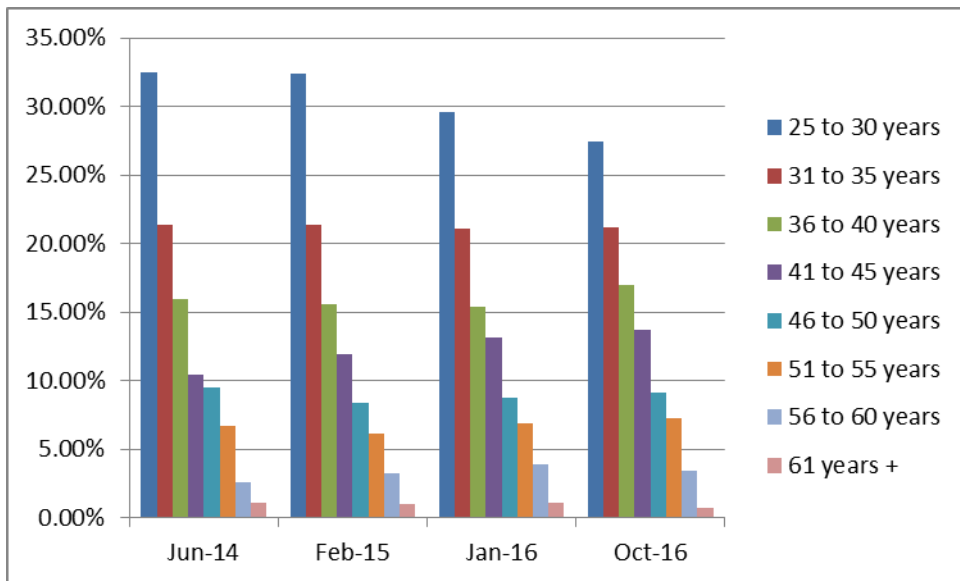


Figure 30: JobsPlus employee Age Profile (Without under 25s)

### 3.5.5 Hours worked by JobsPlus employees

JobsPlus employees are required to work a minimum of 30 hours per week spread over at least 4 days. This condition precludes them from claiming additional jobseekers payment from the DSP.

Table 15: Trends in JobsPlus working hours

Hours Worked	% of Employees			
	Jun-14	Feb-15	Jan-16	Oct-16
30 to 35	26.50%	26.80%	29.49%	32.68%
36 to 37½	69.40%	69.50%	67.21%	63.85%
38 to 40				
41 to 45	4.10%	3.80%	3.30%	3.47%
46 to 50				
Over 50 hours				
	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Overall, 60% to 70% of JobsPlus employees work between 36 and 40 hours per week.

### 3.5.6 Wages paid to JobsPlus employees

As can be seen from the figure below, JobsPlus employees tend to be recruited into lower paid jobs. JobsPlus employers are required to pay at least the national minimum wage. Over 80% of employees are paid €25,000 per year or less. This is not a surprising outcome given the age profile of the employees and the fact that the scheme targets people who can be distant from the labour market.

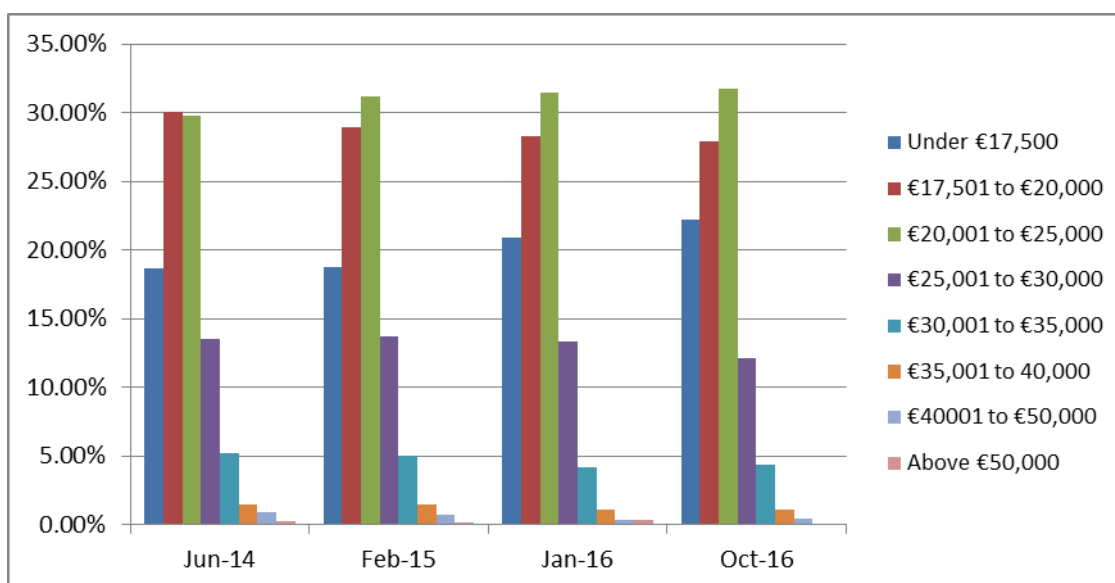


Figure 31: Trends in JobsPlus employee wages

## **3.6 Consideration of Deadweight and Displacement**

### **3.6.1 Deadweight**

An aspect that could have potential implications for the overall impact and success of JobsPlus is the extent of any deadweight that may be evident within the scheme. Deadweight is likely to occur where the recruitment of longer-term jobseekers would have happened (at least to some extent) in the absence of the cash benefits provided by the scheme. In order to address the deadweight cost issue, the incentive is biased in favour of the more long-term unemployed. In terms of a rationale for public expenditure on the incentive, the Action Plan for Jobs noted the impact long durations of unemployment has on jobseekers re-entering the workforce. The Plan noted that a jobseeker's prospects of achieving employment fall to under 50% at 42 weeks of unemployment, decline further from week 55 onwards and decline substantially for longer durations.

Exits rates from the Live Register, and exits to work in particular, decrease significantly the longer a jobseeker is unemployed and are very low for jobseekers that have been on the Live Register for prolonged periods.

It can be argued that very little potential deadweight occurs when undertaking interventions in respect of those jobseekers who are 24 months or more on the Live Register. The rate of exit from the Live Register for this cohort is of the order of 5% at best, and likely to be low and approaching zero in some areas affected by high level of economic decline. Exit rates to work are even lower and ranged between 0.4% and 2% during the period under review for those unemployed for more than two years.

#### **Examples:**

- 1. In July 2013, there were 142,640 people on the Live Register for 2 years or longer. Of this cohort, 4,359, or 3.06%, left the Live Register during that month. 1,056, or 0.74%, left the Live Register for work.*
- 2. In December 2016 there were 89,333 people on the Live Register for 2 years or longer. Of this cohort, 3,196, or 3.58%, left the Live Register during that month. 838, or 0.94%, left the Live Register for work.*

*Source: CSO and DSP stats.*

Monthly exit rates since July 2013 are shown in the figure below.

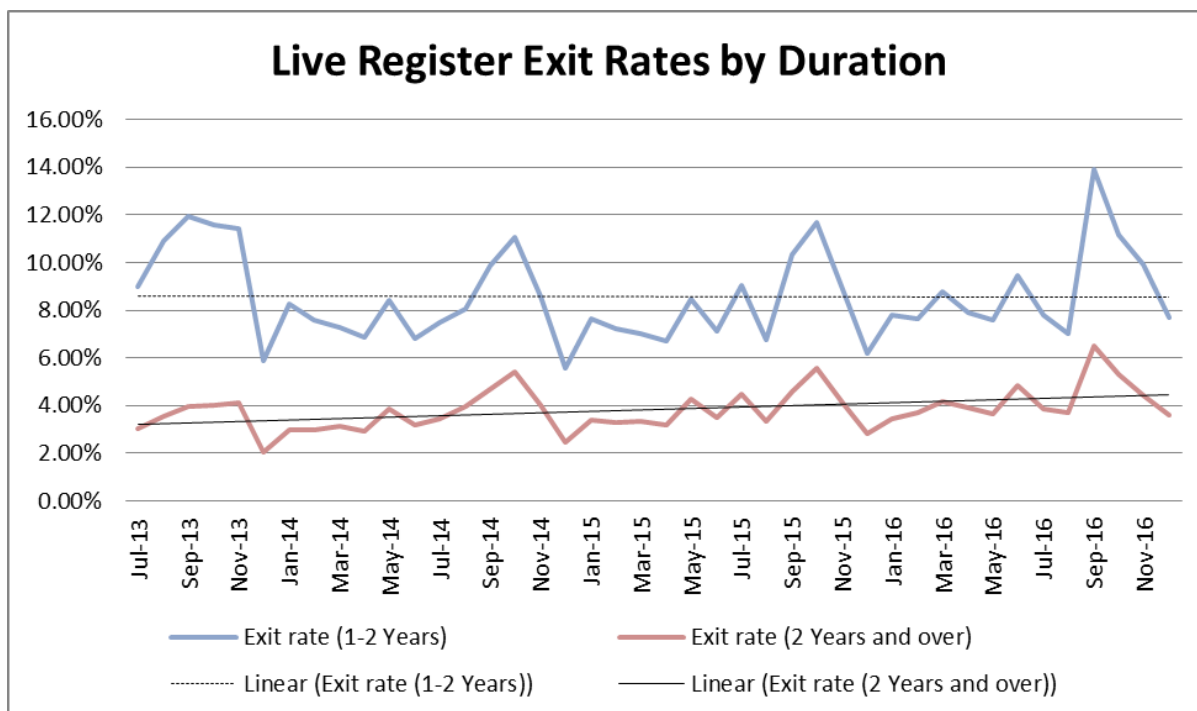


Figure 32: Live Register Exit Rates by Duration. Source: CSO and DSP stats

Deadweight is difficult to measure given an employer’s reluctance to admit they would have produced the same results or outputs without the support of the incentive. The forthcoming counterfactual analysis may be able to provide further evidence in this area.

### 3.6.2 Displacement

Displacement concerns the degree to which interventions which produce additional economic activity lead to consequent reductions in activity elsewhere in the economy.

It can be argued that there is a certain amount of displacement intentionally built into JobsPlus. The incentive is designed to encourage employers to focus their recruitment on the long-term unemployed, at the expense of those already in employment or unemployed for shorter periods of time. Giving preference to the long-term unemployed in this way is justified on equity grounds, given their much weaker situation in the labour market (as set out in 3.6.1 above), and the known negative impacts of long-term unemployment.<sup>13</sup>

Identifying any displacement of existing paid employment by JobsPlus is particularly challenging and requires in-depth examination of individual employers to determine the extent of occurrence.

<sup>13</sup> As noted in the preamble to the 2015 EU Recommendation on the integration of the long-term unemployed into the labour market, long-term unemployment “increases the risk of social exclusion, poverty and inequalities and adding to the costs of social services and public finances ... (it) leads to loss of income, skills erosion, higher incidence of health problems and increased household poverty”.

Again, the forthcoming counterfactual analysis may provide a more practical means of assessing this aspect of the scheme.

## 4. Continued relevance

At the time JobsPlus was launched in 2013, the unemployment rate was over 13% and had only begun to fall from a peak of over 15%. By the end of March 2017, the unemployment rate was 6.4% and falling steadily.

Table 16: Numbers on Live Register by duration - June 2013 and December 2016

Live Register	3-						Total
	<3mths	6mths	6-12mths	1-2yrs	2-3yrs	>3yrs	
June 2013	147,643	37,030	52,826	55,078	39,468	102,860	434,905
December 2016	99,959	26,642	30,050	30,518	19,038	70,295	276,502

As a consequence, the profile of the typical unemployed jobseeker is changing.

It is clear from the analysis carried out in this document that the beneficiaries of the JobsPlus scheme up until now can be characterised as follows:

- **Young:** 40% of beneficiaries are under the age of 30; fewer than 10% are aged over 50.
- **Unemployed for more than 2 years:** Over 70% of grants are paid at the higher level - €10,000 – in respect of employees who have been unemployed for more than two years.
- **Small firms:** 65% of employers are companies employing 10 people or fewer. This reflects the greater impact the scheme has on easing the burden of recruitment costs for smaller employers.

### 4.1 Age Profile Changes

The percentage of long-term unemployed people aged under 35 has fallen from just over 40% to just over 28% since June 2013. At the same time, the percentage of long-term unemployed who are more than three years unemployed has increased from just over 52% to just over 58%. By December 2016, 65% of those people more than 3 years unemployed are males of which over 75% are also over aged 35 (Source: All figures from CSO).

## 4.2 Profile of Long Term Unemployed

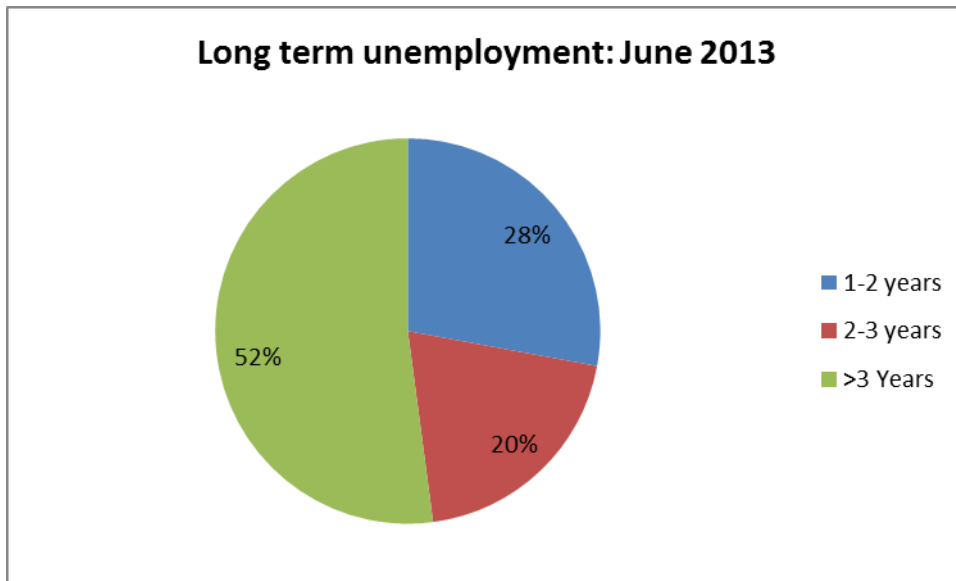


Figure 33 (a): Long-term unemployment by duration – June 2013

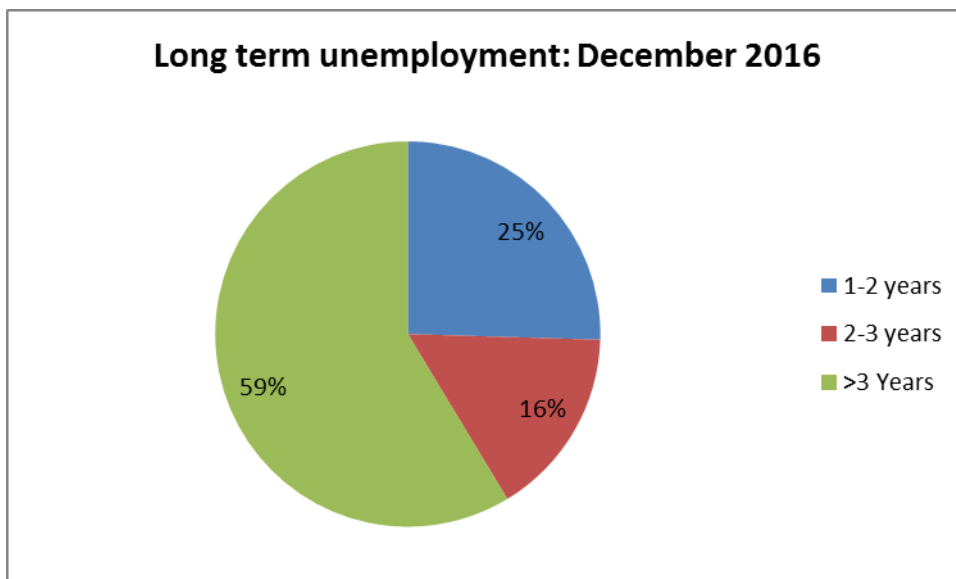


Figure 33 (b): Long-term unemployment by duration – December 2016

The figures above show that the only category of long-term unemployment duration that has risen proportionally during the lifetime of the scheme is those who are unemployed for more than three years. Those who are unemployed between two and three years have seen the biggest proportional fall. This indicates that the rules of the scheme may need to be re-focused on those unemployed three years or longer. However, definitive conclusions in this regard may only be possible after the forthcoming counterfactual analysis.

### 4.3 Youth Unemployment

Since June 2013, the Live Register has fallen by 36% from 434,905 to 276,502 in December 2016. At the same time, unemployment among under 25s has fallen by 57% from 71,202 to 30,285. This indicates that, in an improving economy, deadweight on the scheme for under 25s may be increasing as more of this cohort would find work without the assistance of JobsPlus.

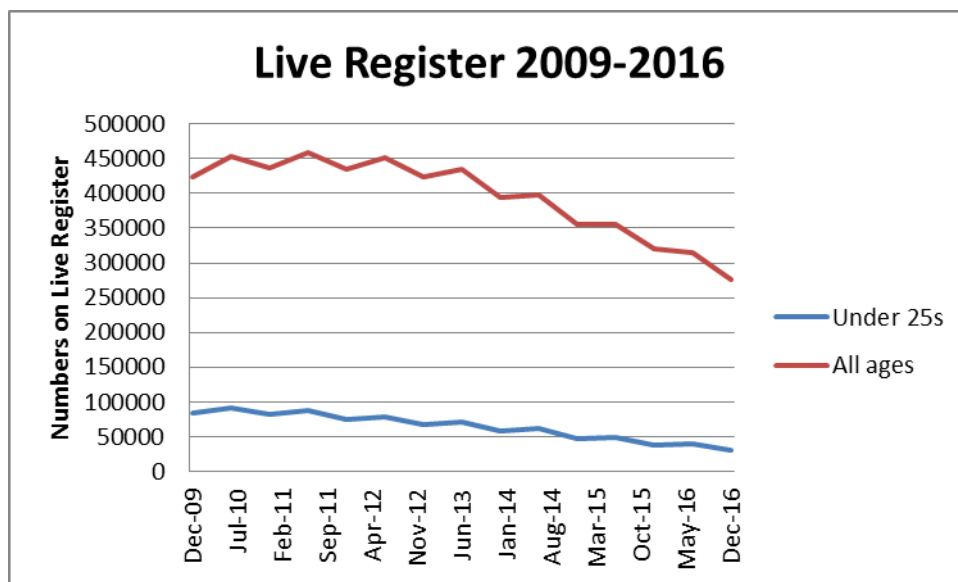


Figure 34: Live Register trends – overall and youth – 2009-2016. Source: CSO

The figures relating to the age profile of scheme beneficiaries, in section 3.5.4 above, show that JobsPlus is not now closely aligned to the age profile of people who are long-term unemployed.

JobsPlus is a scheme designed to have a broad application. It is clear, however, that as the economy recovers a major challenge will be to provide pathways for older, longer-term unemployed, jobseekers.

Any modifications to JobsPlus would need to be targeted at this cohort, while taking account of the impact of general policies (such as the exclusion of the unemployed aged over 62 from activation processes) and the age profile of participants on other programmes such as CE and Tús.



## 5 Conclusions

### 5.1 *How well has JobsPlus met its objectives?*

As discussed in section 2.3, the objective of the scheme is to provide an incentive to employers who offer full-time employment opportunities to the long-term unemployed. JobsPlus was also designed to be an attractive, easily understood incentive which is operated in a user friendly manner.

Over the lifetime of JobsPlus, more than 12,000 people who were long-term unemployed have gained employment through the scheme and over 8,000 employers have benefitted from JobsPlus grants. JobsPlus has consistently helped in providing employment opportunities to those who are long-term unemployed, in numbers close to those sanctioned for the scheme.

There are currently more than 4,000 employers approved for payment of a JobsPlus grant in respect of over 5,500 employees. These numbers compare very favourably with the 1,454 employers supported in 2011 by the schemes it replaced.

As shown by the analysis of the sample group, 87% of employees who participated on JobsPlus remain off the Live Register between 30 and 36 months after their commencement date on the scheme. For employees who complete 24 months on the scheme, this percentage rises to 94.8%.

Overall, 43.5 % of participants in the sample group completed 24 months on JobsPlus. As discussed in section 3 above, an early exit from JobsPlus does not necessarily indicate a negative outcome. Over 80% of early leavers remain off the Live Register.

It is clear from these figures that JobsPlus has been successful in its primary objective of incentivising employers to recruit the long-term unemployed. However, it is also clear from section 4 above, that some adjustments to the scheme could be considered to keep it focused on the changing profile of the Live Register. These are outlined in the next section.

### 5.2 *Items for further consideration*

The Department has committed to conducting a counterfactual impact evaluation of JobsPlus in the coming months. This will incorporate econometric modelling to assess and measure the impact of the programme on labour market outcomes for participants. This FPA has identified the following areas where adjustments to JobsPlus could be made in order to maintain focus on the changing profile of the Live Register. These are areas which could be examined further by the counterfactual impact evaluation.

#### 5.2.1 *Targeting the incentive at people who are unemployed for three years and longer*

The tiered nature of the JobsPlus incentive has been effective in targeting the longer term unemployed. Approximately 70% of grants are paid at the higher €10,000 level in respect of

employees who have been unemployed for more than two years. This indicates that targeting at those who are unemployed for longer periods of time is effective. As outlined in section 4, the only category of long-term unemployment duration that has grown proportionally during the lifetime of the scheme is those who are unemployed for more than three years. It is also an objective of the Department's Pathways to Work programme to:

“Review the possibility of adapting the JobsPlus scheme to incentivise for employers to recruit people unemployed more than three years”<sup>14</sup>

Focusing on those people who have been unemployed for three years or longer could also mitigate deadweight cost in the improving economic environment by encouraging potential employers to favour the more long-term unemployed. More of those who have been unemployed for shorter periods of time may now find work without the assistance of JobsPlus.

This could be implemented by moving the higher level grant out from two to three years.

### ***5.2.2 Adding an incentive to recruit older workers to the scheme***

When compared to the age profile of those who are long term unemployed, workers over the age of 50 are under-represented on JobsPlus. Fewer than 10% of JobsPlus employees are in this age bracket. By contrast, around 40% of those who are long-term unemployed are over 50. In addition, as the sample analysis in section 3 above shows; older participants are more likely to return to the Live Register after commencing a JobsPlus employment than younger participants. An incentive could be added to the scheme to encourage greater recruitment of older people who are long-term unemployed. For example, the higher level of grant could be paid in respect of all workers over the age of 50 recruited through the scheme.

### ***5.2.3 Additional data collection***

In the sample analysis in section 3.5.1 above, the outcomes for 45% of the early leavers are unknown. This is because they are no longer clients of DSP and are not in receipt of any social welfare payment. This may indicate a favourable outcome. If, in the future, additional data becomes available on this cohort, it will be valuable to collect and analyse this to further inform the scheme.

---

<sup>14</sup> Pathways to Work, Action 6.2

## **Appendix 1: Members of the Focused Policy Assessment Working Group**

Niamh Callaghan: Social Protection Vote, DPER.

Eric Doyle: Assistant Principal Economist, Statistics and Business Intelligence Unit, DSP.

Lorcan Hanly: Assistant Principal, Working Age and GRO Policy, DSP.

Des Henry: Principal Officer, Employment Support Service, DSP.

Liam Philpott: Assistant Principal, Employment Support Service, DSP.

Deirdre Shanley: Principal Officer, Employment Support Service, DSP.

Kathleen Stack: Assistant Secretary, DSP.

---