

# Displacing JobBridge

Sinn Féin's proposals for an alternative internship scheme

transparent

monitored

tailored

robust

short

focused



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# Displacing JobBridge

Sinn Féin's proposals for an alternative internship scheme

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# Foreword by Aengus Ó Snodaigh TD

In June 2011 the government introduced the JobBridge scheme and it has become the central plank of their jobs strategy. Although some individuals may have had a positive experience, it is a scheme which leaves thousands of jobseekers vulnerable to exploitation. It is a scheme that has already reduced the number of real job opportunities available and if it is not closed down now then thousands of new paid entry level positions that should come into being in the months and years ahead will emerge as unpaid internships instead.

Sinn Féin is committed to bringing about a fair recovery. We are focused on getting people back to work and bringing our young people home.

This document has benefited from the insights of key stakeholders including Mandate, SIPTU, the INTO, CWU, ICTU Youth, the NYCI, INOU and We're Not Leaving, along with many individual JobBridge participants.

In this document Sinn Féin propose to replace the one-size-fits-all JobBridge scheme with a new participant centred model for internships. It envisages a substantial increase in the range of apprenticeships available. The model we propose would not displace apprenticeships, paid in-work training or jobs. It would afford those genuinely in need of some work experience with meaningful learning opportunities. Tailored internships would be developed sector by sector in full co-operation with trade unions and Education and Training Boards. Employers would be supported to be the best mentors that they can be.

We propose an internship scheme that supports jobseekers to attain real quality jobs without limiting the number of proper job vacancies available. These are the proposals that Sinn Féin would seek to introduce in government.

Sinn Féin's proposals maximise decent pay for decent work.



# Executive Summary

## **T**he JobBridge scheme is beyond repair.

- It displaces paid work, depresses job creation, facilitates wage avoidance and normalises work for little or no wages.
- It places good employers at a competitive disadvantage.
- It compounds the crisis of under-employment.
- Its monitoring mechanisms and sanctions are insufficient.
- It is outweighed by its own opportunity-cost as the much more positive activation scheme JobsPlus (which offers participants a real job for real pay) cannot realise its potential as long as it has to compete with JobBridge.



## **Sinn Féin’s review recommends that:-**

- JobBridge should be closed and replaced with a new model of tailored internships supported by social welfare spending with a much more limited presence in the labour market.

- Such internships should be excluded from fields in which an apprenticeship or paid entry level position with in-work training would be more appropriate.
- Separately, the Higher Education Authority and Education & Training Boards should work more closely with employers to increase the practical work experience component of academic studies that is undertaken pre-graduation where this is deemed necessary.
- The one-size-fits-all approach of JobBridge should be abandoned. The establishment, duration and learning components of internships should be agreed with trade unions and Education & Training Boards on a sector by sector basis.
- The new internship scheme should be provided for in primary legislation and should provide that all unpaid internships are benevolent acts from which the employer derives no immediate financial advantage. The legislation should also provide recourse and a route to compensation for any person exploited by an employer breaching the scheme.
- Full public transparency must be the order of the scheme.
- Monitoring mechanisms must include trade unions, employers, stakeholder NGOs and the Department of Social Protection.
- Support structures should be introduced at regional or local level to combat any isolation or information deficits experienced by interns and to empower host organisations to deliver on their mentoring and teaching commitments more effectively.

# Introduction

The economic crisis has forced tens of thousands of Irish young people to leave the country in search of work. Some 33,500 young people (between 15 and 24 years of age) emigrated in 2014 and 165,300 young people have emigrated in the last five years.

While recent improvements in the unemployment rates are to be welcomed, the stark reality is that there are 15,400 fewer people under the age of 34 in work now than there were when the Fine Gael/Labour Government came to power.

The Government is failing to provide jobs and hope for young workers and this is undermining long-term sustainable recovery. Figures released by Eurostat confirm that Ireland has the highest levels of emigration in the EU.

Ireland's emigration epidemic has now reached crisis proportions. More people are leaving the State than left at any time during the 1980s.

Of those leaving, 70% are in their 20s and 62% are graduates. These highly-educated young people are the lifeblood of the State and the people we need to grow and nurture economic recovery.

Government ministers have claimed that emigration is a lifestyle choice and akin to taking a year out. The simple fact is that mass emigration is the outworking of Government policy. Research indicates that 78% of emigrants believe they are unlikely to return to Ireland within three years.

The Quarterly National Household Survey reveals an unemployment rate of 11.1%, however the youth unemployment rate remains stubbornly high at 23.2%, more than twice the statewide rate.

We have the third highest rate of underemployment in the EU28 and we can see from the latest CSO figures that the numbers in casual and part-time work are also high at three times the number in the years prior to the recession. Over a third of workers will earn just €20,000 or less in 2015 and long-term unemployment remains doggedly high.

It is clear that drastic action is required if the scourges of unemployment, under-employment and emigration are to be tackled. Sinn Féin believes that a new internship scheme can play a part in the economic recovery but, at 34,600 interns and rising, the JobBridge scheme is a counterproductive central plank of the Government's strategy.

***15,400 fewer people under the age of 34 in work now than there were when the Fine Gael/Labour Government came to power.***

JobBridge has been expanded by Government on a number of occasions and a mandatory variant for particularly disadvantaged young people called 'First Steps' was recently announced. This is a particularly concerning development. The JobBridge scheme is critically flawed and needs to be closed down.

Sinn Féin believes that quality work experience programmes CAN provide a useful means of enhancing skills and providing a valuable first step into the world of work. The current system displaces paid work, depresses wages and facilitates abuse by some employers. This must not be allowed to continue.

# Who is engaged in JobBridge?

## Individual Participants

In assessing the impact of JobBridge it is worthwhile establishing a clearer picture of who has participated in the scheme.

- Age profile – primarily the 20-24 and 25-34 age group, accounting for 27% and 45% of internship commencements respectively.
- Education – 35.9% of interns hold qualifications below primary degree level although the scheme has also attracted a high proportion of individuals with higher-level qualifications with 22.4% of interns having a post-graduate qualification.
- Previous employment – 72.3% of interns previously held employment on a full-time basis; 27.7% stated that they were not previously employed on a full-time basis.

Minister for Social Protection) to address the Catch 22 situation by which you need experience to get a job but you need a job to get experience. Close to three-quarters of participants who previously held employment indicated that they were employed for more than two years.

## Host organisations

The majority of host organisations (58%) are small and medium organisations employing fewer than 50 persons but significant proportions of internships are also taking place in larger organisations employing from 50 to 249 persons (23%) or over 250 persons (16% of internships). About three-quarters of host organisations typically host one to two JobBridge internships, while 16% host from three to five internships and close to 10% host more than five interns.

This dispels the myth that the purpose of JobBridge is to give people work experience that they do not have (as often articulated by the



# JobBridge Design Flaws

The JobBridge scheme suffers from a number of critical failings:-

1. JobBridge displaces paid work, depresses job creation, drives down and facilitates wage avoidance;
2. A link between participation on JobBridge and securing paid employment is not established;
3. JobBridge places good employers at a competitive disadvantage;
4. JobBridge compounds the growing problem of under-employment;
5. JobBridge's one-size-fits-all approach is not appropriate;
6. JobBridge is outweighed by its own opportunity cost;
7. JobBridge is devoid of sanctions for employers who abuse the system;
8. The monitoring mechanisms and procedures are not fit for purpose.

## 1. JobBridge displaces paid work, depresses job creation, drives down and facilitates wage avoidance

JobBridge tells the unemployed, young and old, to work for nothing. In a forthcoming report by the National Youth Council of Ireland, some 10% of JobBridge participants surveyed reported that they felt compelled to go on JobBridge in order to keep their social welfare this is despite the fact that the internship scheme is currently voluntary.

The outworking of the scheme has come in for sharp criticism from the trade union movement. According to a recent motion passed by the Irish Congress of Trade Unions: "JobBridge in its current form decreases paid employment and also undermines economic recovery."

The Communication Workers' Union's youth wing has also been sharply critical of JobBridge. In their 'JobBridge to Nowhere' document they argue that the scheme depresses job creation by creating a pool of free labour for employers, is inherently exploitative with young people particularly vulnerable, and that it will inevitably lead to Job displacement.

Furthermore, they argue that the effect of the scheme is to put downward pressure on wage levels across all sectors of the economy. This is actually demonstrated by the findings of the Indecon report (commissioned by the Department of Social Protection) that those who have gone on to gain paid employment post-participation on JobBridge are earning just 56% of average economy-wide earnings.



# JobBridge Design Flaws

Unsuitable internships have been and continue to be advertised on the JobBridge webpage.

These include forecourt assistants, waitresses, bar staff, housekeeping, car valet, fast-food operatives, hotel receptionists, and telesales assistants. These internships are displacing real jobs. It doesn't take 40 hours a week for 9 months to learn the skills required for these types of employment. These jobs are relatively quick to learn but they involve hard work – work which people should be paid for.

The level of unemployment and under-employment across all these fields is critically high and JobBridge further reduces the number of paid jobs available. This simply cannot be described as a credible job initiative.

In addition, some employers are using the JobBridge scheme to avoid employing people with proper terms and conditions to undertake standard functions on which their business and profits depend. This is evidenced by the fact that 29% of host employers admitted to Indecon that they would have taken people on in the absence of the scheme. When we consider that the number of interns who eventually progressed to employment with their host organisation was 28.6% this demonstrates that the effect of the scheme is to displace employment or delay job creation.

It also cannot be ignored that 3% of host employers have actually admitted to using the scheme to displace existing employment. This amounts to approximately 200 companies who openly admitted to abusing the system. When we consider that the Fine Gael/Labour Government is using the Freedom of Information Act to protect



the identities of companies who breach the rules of the scheme this may be the tip of the iceberg. JobBridge facilitates the avoidance of wages during the induction and probationary periods which in the absence of the scheme a person would have been employed and paid for.

It is a widely-held view across stakeholders that JobBridge is displacing apprenticeships, traineeships, paid graduate internships, entry-level positions and paid in-work training in many sectors. This will particularly be the case as growth returns to the labour market – these opportunities that should emerge in greater numbers will not because employers can avail of the free labour supplied through JobBridge instead.

# JobBridge Design Flaws

A worrying legacy of the scheme will be the creation of an expectation on the part of some employers that they can get a significant volume of labour for free and an expectation on the part of jobseekers generally that they will have to undertake work without pay for a significant period of time before they receive any wages. This expectation has already begun to permeate and it will prove very difficult to deconstruct post-recovery.

## **JobBridge in the public sector**

There are serious issues with the way in which the JobBridge scheme is being used to fill the labour shortage in the public sector created by the recruitment embargo.

According to the Indecon report, over two-thirds of internships which had commenced by November 2012 were in private sector organisations, while 22% were in the public sector and 9% in community and voluntary sector organisations. Responses to Sinn Féin parliamentary questions showed that, by November 2013, almost 5,000 real jobs in the public sector had been substituted with cheap interns under the JobBridge scheme. Three local authorities were particularly guilty of this displacement.

Almost one in four JobBridge internships were taking place in the public sector and the expansion of JobBridge in the public sector has occurred against a backdrop where public sector staffing numbers have been shrunk by 28,000 whole-time equivalents. The JobBridge interns engaged by public sector bodies are doing work that should be undertaken by properly-paid employees. And they had no hope of gaining employment with their host at the end of their internship because the recruitment embargo prohibited it.

Nearly 60% of JobBridge participants in the public sector do not go on to gain any type of paid employment in any sector after their internship. The November 2013 figures show that Galway, Donegal and Cork County Councils in particular have been using the scheme to help compensate for government imposed funding shortfalls, significant staffing reductions due to incentivised retirement schemes and the recruitment embargo using 81, 84 and 100 free interns respectively. This is in comparison with 14, 12 and 9, which is the number of JobBridge interns used at the time by Dún Laoghaire-Rathdown, Fingal and South Dublin County Councils respectively.



# JobBridge Design Flaws

These figures demonstrate that the operation of the scheme in the public sector is serving to undermine jobs and conditions of employment in the public sector. The Government should instead focus on easing the recruitment embargo to allow for the recruitment of frontline staff where they are so obviously needed.

## **2. The link between participation on JobBridge and gaining employment has not been established**

One of the major flaws that emerges from the data on the JobBridge scheme is the lack of a causal relationship between participation on JobBridge and actually getting a job.

Many of those who participate on the scheme are well-qualified with nearly two thirds holding a primary degree and more than a fifth holding a primary qualification but less than a fifth (only 19.5%) of JobBridge participants found employment with their host organisation.

Furthermore, 60% of JobBridge participants who undertook their internship in a public sector organisation did not progress into paid employment. JobBridge is therefore failing to provide the stepping stone required for skilled people to find the experience required to find a job.

The Indecon report concluded that, other factors being equal, more intensive job search activity is likely to increase the likelihood that participants would have secured employment in the absence of participation in the scheme, although probabilities of success will be affected by the current challenging labour market. It reported 28.8% of employers saying they would have been

'highly likely' or 'fairly likely' to have offered paid employment to JobBridge interns in the absence of the scheme.

It is useful to consider the feedback of participants who were dissatisfied with the scheme.

Participants were less than positive about the direct role of the scheme in moving them directly to employment or about the opportunities provided by the scheme for in-placement training.

***60% of JobBridge participants who undertook their internship in a public sector organisation did not progress into paid employment***

# JobBridge Design Flaws

Among interns who responded to Indecon's survey, 14.9% believed that they would have been 'highly likely' to have secured their current employment in the absence of their participation in the scheme, while 17% felt this outcome would have been 'fairly likely'.

The research also found that these proportions increase in the case of participants with post-graduate-level qualifications, with 18.8% of individuals with the equivalent of a Master's degree or higher indicating that they would have been 'highly likely' and 19.9% 'fairly likely' to have secured their current employment in absence of participation in the scheme.

The evidence also suggests that employment progression outcomes deteriorate the longer individuals have been unemployed prior to their internships, with just 38% of scheme participants who were previously out of work for over two years being in employment post-internship completion, falling further to only 28.2% among those previously unemployed for three years or more.

### 3. JobBridge places good employers at a competitive disadvantage

By creating a means whereby unscrupulous employers can engage staff for free in competitive industries, JobBridge puts huge pressure on good employers who pay their employees a fair wage. This competitive disadvantage will invariably lead to good employers having to reduce staff, cut wages or face going out of business.

To illustrate the distorting impact of the JobBridge scheme, economist Michael Taft has outlined an example of a large company taking

on 14 young JobBridge interns for six months instead of recruiting at minimum wage. In this example the loss to the Exchequer over six months would have been the €144 weekly social welfare payment, plus €50 top-up, plus the lost employer's PRSI of €765. So it is costing the Exchequer €81,300 and the company is getting a subsidy worth over €136,000. (The figures would be much higher over the 9 and even 18 months allowed.)

The JobBridge subsidy to the company represents 10% of its total payroll cost against which other employers who want to pay fair wages must compete.

### 4. JobBridge compounds the growing problem of under-employment

An under-employed person is one who is involuntarily working part-time, who wants and is available to work additional hours but cannot get them.

***For one JobBridge user the subsidy to the company represented 10% of its total payroll cost against which other employers who want to pay fair wages must compete***

# JobBridge Design Flaws

In sectors such as retail, hospitality and social care, thousands of workers, a large percentage whom are women, are already badly affected by underemployment or a 'poverty of hours'. JobBridge can act to exacerbate these situations by encouraging employers to take on an unpaid intern instead of extending additional hours to their part-time staff.

We have the third-highest rate of under-employment in the EU – 124,300 workers across the State were under-employed in the third quarter of 2014.

According to the Indecon report, of those JobBridge participants who did gain employment after the scheme, 55% secured part-time or temporary work only.

## 5. JobBridge's one-size-fits all approach is not appropriate

The JobBridge scheme involves a one-size-fits-all approach. It attempts to capture everyone from early school-leavers to PhD holders and from the unemployed with a long work history to those with no work history at all. It offers a blanket model to everyone that ultimately works well for no one.

JobBridge offers no structured or recognisable training to the unemployed who are in need of qualifications and it negates the practical experience already undertaken by others during the course of obtaining their qualifications.

The practice of schools hiring teachers through the JobBridge scheme has already faced criticism from teaching unions.



It seems totally unfair that fully-qualified and trained teachers would be employed on only the dole plus €50 a week, well below the entry grade salary.

In addition, the practice fails to take into account that teachers will have engaged in some form of teaching practice or on-the-job training as part of their qualification.

Similarly, in the legal profession, trainee solicitors work in law firms for months at a time as part of gaining their professional qualification through the Law Society yet many solicitors' firms also offer positions for fully-qualified solicitors through JobBridge.

The scheme is therefore serving to prevent fully-trained or qualified professionals attaining full-time employment at the going rate by allowing employers to put in place additional, unnecessary internship schemes which ignore the practical training that has already been completed.

# JobBridge Design Flaws

## 6. JobBridge is outweighed by its own opportunity cost

Sinn Féin warmly welcomed the JobsPlus scheme. This scheme involves real jobs with real pay, terms and conditions.

The scheme operates by providing a direct monthly financial incentive to employers who recruit employees from those who are long-term on the Live Register. The incentive is payable, on a monthly basis, over a two-year period if the employee is retained in full-time employment for two years.

JobsPlus is biased in favour of those who are longer-term unemployed.

In the period since its launch in July 2013 to the end of June 2014, JobsPlus had supported 2,634 jobseekers in full-time employment with 2,007 employers Statewide. Some 60% of jobseekers being supported on JobsPlus had been on the Live Register for over 24 months at the time of

recruitment. Of the 2,634 jobseekers supported at the end of June 2014, approximately 280 (or 10.5%) had previously participated in JobBridge. The JobsPlus scheme saves the Exchequer money because the value of the combined PRSI contributions generated from the job and monies saved from the social welfare payments that would otherwise continue to be paid are significantly greater than the cost of the subsidies paid under the scheme.

Despite the win-win nature of this scheme, Department of Social Protection officials have not actively pushed it with employers with the enthusiasm and resources that they have by contrast used to promote JobBridge. A further reason for the significantly lesser prominence of the JobsPlus scheme to date is that JobBridge offers employers a free rather than subsidised source of labour. The significant potential of the JobsPlus scheme will continue to go unrealised as long as JobBridge continues to act as a disincentive to employer take-up.



# JobBridge Design Flaws

## 7. JobBridge is devoid of sanctions for employers who abuse the system

A European Commission study of comparable programmes across Europe points to a significant fear of exploitation, particularly in cases where the positions were developed without a clear rationale, aims and objectives set out at the beginning.

This has been one of the major failings of the JobBridge scheme.

The Irish Congress of Trade Unions has called for the introduction of a sanctions regime for employers who abused the process:

*“There needs to be substantial sanctions imposed on employers found to be abusing the programme as a mechanism to have their labour costs subsidised with State funds.”*

Despite repeated requests for the information from Sinn Féin, Social Protection Minister Joan Burton has refused to reveal the names of the companies or employers that have been blacklisted from the JobBridge scheme.

She has revealed that of the more than 10,000 companies that have participated in JobBridge, over 30 companies have been disqualified from participating due to breaches of the scheme’s rules. In response to a Freedom of Information request from Sinn Féin, the Department of Social Protection refused to reveal the names of those who have been excluded from the scheme on the basis “of an over-riding public interest in having the host organisations who have been excluded from JobBridge kept confidential”.

There has been in excess of 460 JobBridge complaints received by the Department of Social Protection since the scheme commenced in July 2011. These complaints relate primarily to the following areas:-

- Standard Agreement not completed/adhered to;
- Inadequate mentoring/support;
- Inadequate training and development;
- Displacement related issues;
- Poor quality advertisements;
- Intern working excessive hours;
- Non-compliance with scheme criteria.

According to the Indecon report, when asked why they did not fully complete their internship, a third (32.7%) of participants cited dissatisfaction with the placement.

The sole consequence for host employers of abusing the scheme seems to be a temporary exclusion from its use. The decision of the Minister for Social Protection and the Department of Social Protection to afford blanket confidentiality to all misusers and potential misusers protects them from even reputational loss and thereby eliminates any disincentive to abuse the scheme.

**There has been  
in excess of  
460 JobBridge  
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Social Protection**

# JobBridge Design Flaws

## 8. Monitoring mechanisms and procedures are not fit for purpose

Sinn Féin have a number of specific concerns with regard to complaints, oversight and the operation of the Monitoring Committee.

### (a) Self-declaration model

It is of particular concern to Sinn Féin that the scheme is based on a self-declaration model where issues are addressed only when a complaint is made.

No proactive checks are made into possible displacement or previous redundancy other than a declaration by an employer that this is not the case.

In this scenario, the only two parties likely to make a complaint are the employer (who would seem unlikely to make a complaint about their own actions) and the intern (who would be unlikely to even be aware of any displacement that may have taken place and doubly unlikely to make complaints which may risk loss of their reference).

The fact that there is no process in place for complaints by third parties such as trade unions is a serious flaw.

Even in the case of a former intern who has made a complaint, the Department of Social Protection will only take action if they receive written permission from the intern.

### (b) Collective agreements

There is no process in place within the JobBridge scheme to determine whether a collective agreement is in place and the scheme provides

no procedure for engaging with the relevant trade union. This has led some employers to fill vacancies with interns, thereby replacing established recruitment practice with what is effectively state-subsidised free labour.

### (c) Monitoring Committee

Sinn Féin are particularly concerned that the Monitoring Committee as currently constituted is dominated by employer representatives with no trade union representative currently on the Monitoring Committee.



### (d) Post-placement monitoring

At present, the Department of Social Protection is required to monitor just 5% of internships. Therefore, if there are 400 internships a month, only 20 of these would be monitored. Compliance checks take place in only two circumstances (i) random selection; (ii) in response to a complaint from an intern. There is no process whereby a third party can prompt a compliance check.

# JobBridge Design Flaws

## *(e) Standard Agreement*

The Standard Agreement is retained by the host organisation so it is a shared document between the host and the intern and not with the Government department responsible.

At no time in the agreement is the host organisation required to stipulate that no jobs have been displaced or that redundancies have not been made.

While the Standard Agreement contains a section on the eligibility of the intern, there is no such section on the eligibility of the host organisation. The Standard Agreement does not require the host company to offer meaningful training or learning. They can simply undertake to provide the intern who works full-time for six or nine months with vague (and to an extent immeasurable) 'Professional Skills' including 'flexibility', 'building relationships', 'professionalism', 'drive and resilience' and 'taking personal responsibility'.

## *(f) Monitoring checklist*

The monitoring checklist consists of two forms – one for the intern and one for the host organisation.

The checklist focuses on compliance with the Standard Agreement and contains only up to seven or eight questions. While one question focuses on the duties and responsibilities assigned to the intern and are in line with the internship advertised, there are no questions to either the host or the intern on whether there has been any job displacement, redundancies or abuse of the scheme.

Even if the duties are not in line with the advertisement, under the internal guidelines, no further action will be taken unless the host or the intern is dissatisfied with the position.

The international experience



# The International Experience

## Sweden

- Sweden introduced the Youth Employment Guarantee in 2008 under which participants enjoy the same legal rights as employees.
- Sweden has also introduced a Young Potentials Programme which is specifically designed for graduates. The programme is run as a collaboration between the Public Employment Service and some of Sweden's largest companies.

## Denmark

- Denmark has introduced a series of youth packages to tackle youth unemployment, particularly those not in employment, education or training.
- There are three key elements to the packages: (i) Guidance and upgrading of skills and qualifications; (ii) Practical work training in enterprises; (iii) Public and private employers receive a subsidy for hiring young people under 30 who have been on welfare benefits for at least 12 months.
- Those employed in the private sector under the packages enjoy the same working conditions as other employees.

## Greece

- Greece introduced a new Work Experience Programme for New Labour Market Entrants in October 2010. The scheme is only available to private sector companies as a result of abuse of a previous scheme.
- Under the new Greek scheme, the minimum terms and conditions of interns are set down in law, including their remuneration, social security conditions and quality assurance mechanisms.
- The Greek scheme provides for 100% subsidisation of both employer and employee

social security contributions (pensions, health insurances, occupations health and safety).

- The subsidisation can be continued at a level of 70% for employer and employee for a further period of 12 months if the intern is employed for at least 18 months after the ending of the internship. In this way employers are incentivised to develop the intern into a full-time employee.
- To avoid displacement, firms cannot join the scheme if they have reduced their staff in the previous six months and they must retain their existing staff while in the programme.
- Portugal and Greece receive significant ESF funding for internship programmes.



# The International Experience

## USA

In 2010, the US Department of Labour produced six criteria to govern unpaid internships. One of these provides that an employer can only get an intern for free if it derives no immediate advantage from the activities of the intern. This is designed to ensure that an internship must be a benevolent act by an employer, not exploitation.

The six criteria are as follows:-

1. The internship, even though it includes actual operation of the facilities of the employer, is similar to training which would be given in an educational environment;
2. The internship experience is for the benefit of the intern;
3. The intern does not displace regular employees, but works under close supervision of existing staff;
4. The employer that provides the training derives no immediate advantage from the activities of the intern; and on occasion its operations may actually be impeded;
5. The intern is not necessarily entitled to a job at the conclusion of the internship;
6. The employer and the intern understand that the intern is not entitled to wages for the time spent in the internship.



# Proposals for new internship scheme

The JobBridge scheme should be closed and replaced with a new model.

## ***A tailored scheme with a narrower scope and focus***

The new internship scheme would be restricted to a more limited presence in the labour market and lesser prominence in the overall jobs strategy. It would have a residual status operating in a context of further activation schemes involving formal training and educational opportunities being sufficiently available and adequately resourced.

The new model would take cognisance of changes underway and the desirable extension of the apprenticeship system. A new Apprenticeship Council was established in November 2014. It was tasked with modernising the State's apprenticeship system and expanding it into new sectors of the economy. In many sectors an apprenticeship would be more appropriate than an internship.

The Higher Education Authority and Education & Training Boards should work more closely with employers to incorporate greater practical work experience into the course requirements leading to higher-level qualifications. This in itself will diminish any perceived need for further unpaid internships post-graduation.

## ***Preclude internship job for which apprenticeship would be more appropriate***

The new internship model would preclude the use of an internship for jobs for which an apprenticeship or an entry-level position with in-work training would be more appropriate.

It would also stop the practice of requiring graduates who have already undertaken work experience as part of their studies from being required to undertake further unpaid work experience post-graduation.

The new statutory internship scheme supported by Department of Social Protection spending would play a residual role, enabling social welfare recipients to engage in short stints of supervised work experience where they have none and where such an internship would be more appropriate than an apprenticeship or further education.

## ***Internships under the scheme would be short***

The precise duration of internships and minimum recognisable learning outcomes would be determined and agreed on a sector by sector basis with the relevant trade unions and Education & Training Boards. The potential of Joint Labour Committees to regulate the internships on a sectoral basis should be explored.

This would ensure that internships are of an appropriate duration and that uniform, recognisable learning takes place which can truly benefit the participants in future job applications.

## ***Founded on robust legislation***

The rules of the scheme including protections for participants would be laid out in primary legislation.

It would provide that the scheme is voluntary and no loss or reduction of social welfare payments may result from any decision not to engage with the scheme.

# Proposals for new internship scheme

## ***Enshrine the six US Department of Labor criteria***

This legislation would enshrine the six criteria produced by the US Department of Labour in 2010, ensuring that all internships are benevolent acts from which the employer derives no immediate financial advantage.

Proceeding on this basis would ensure that the new internship scheme would not displace work, depress job creation or facilitate wage avoidance. It would also ensure that public subsidies are not misused to place other employers at a competitive disadvantage.

This legislation would also protect against the internship scheme compounding the under-employment crisis.

Where a collective agreement exists in a workplace, legislation would stipulate that the use of the internship scheme by the employer would require the prior and ongoing approval of the relevant trade union.



It would exclude any employer who has been found to be in breach of employment law in the previous 24 months.

It would provide recourse and a route to compensation for any person who is exploited in the context of an internship should the employer breach the principles governing the scheme.

## ***Full transparency and accountability in the use of public money***

The names of all employers participating in the scheme would be open to the public. This would act as an additional incentive to ensure the proper use of the scheme.

## ***Balanced and effective monitoring and support mechanisms***

Monitoring mechanisms to safeguard against abuse and to ensure meaningful intern experiences would be established at Statewide and sectoral levels. These would include representatives of trade unions, employers, youth sector NGOs and the Department of Social Protection.

Monitoring must be undertaken for the purposes of compliance and to identify support needs.

Supports should be introduced for interns at regional or local level to combat any isolation or information deficits that interns may experience.

Supports should be introduced for host organisations to empower them to mentor their interns more effectively.

# Documentary Research Sources

CSO Live Register Statistics

CSO Quarterly National Household Surveys

CWU Youth Committee 'JobBridge to Nowhere' (2012)

European Commission 'Study on a Comprehensive Overview on Traineeship arrangements in Member States' (2012)

Indecon Evaluation of JobBridge (2013)

Oireachtas Library and Research Service 'Internships Associated with Active Labour Market Policies (2013)

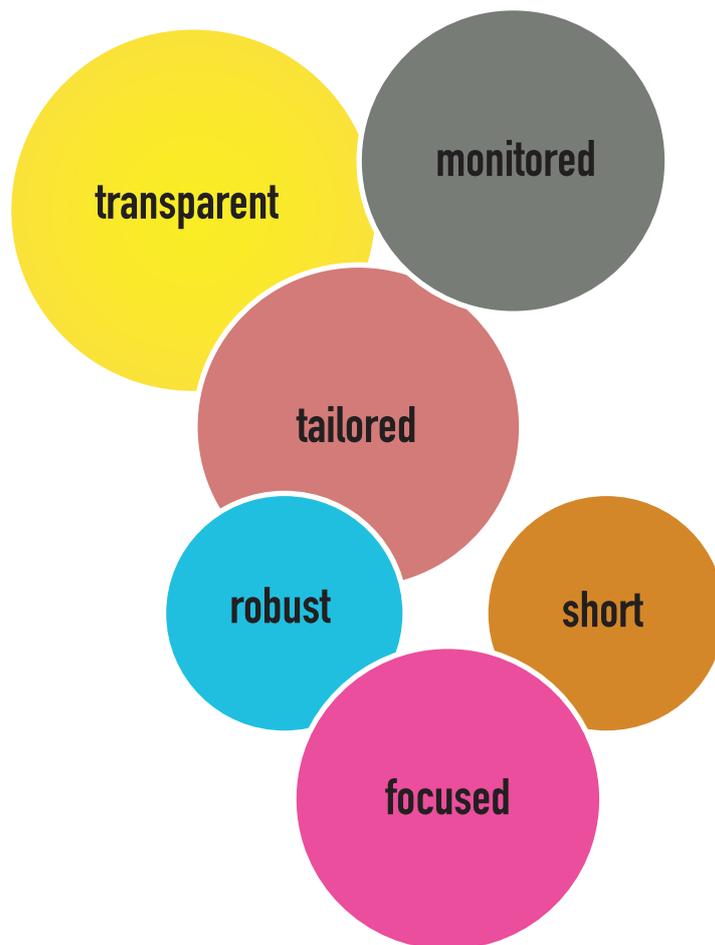
Parliamentary Questions including 4789/13, 50470/13, 43118/13, 48928/13, 41255/13

UCC and Irish Research Council Study on Emigration (2013)

# Displacing JobBridge

Sinn Féin's proposals for an alternative internship scheme

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