

IRELAND'S **WORLD OF WORK**

Update on labour market developments in Ireland, employment trends and policy issues

December 2013 – Latest trends in moves towards labour activation and contracting

JobPath contracts put back to mid-December for 'final checks' by DSP

THE long-expected JobPath welfare-to-work tender documents will not be published in November as scheduled but are now expected to be issued in mid-December.

Department of Social Protection chiefs last week decided to hold-back on the release of the tender bid documents for a final check. Senior sources have indicated that the JobPath process has been approved and signed-off by the responsible minister, **Joan Burton**.

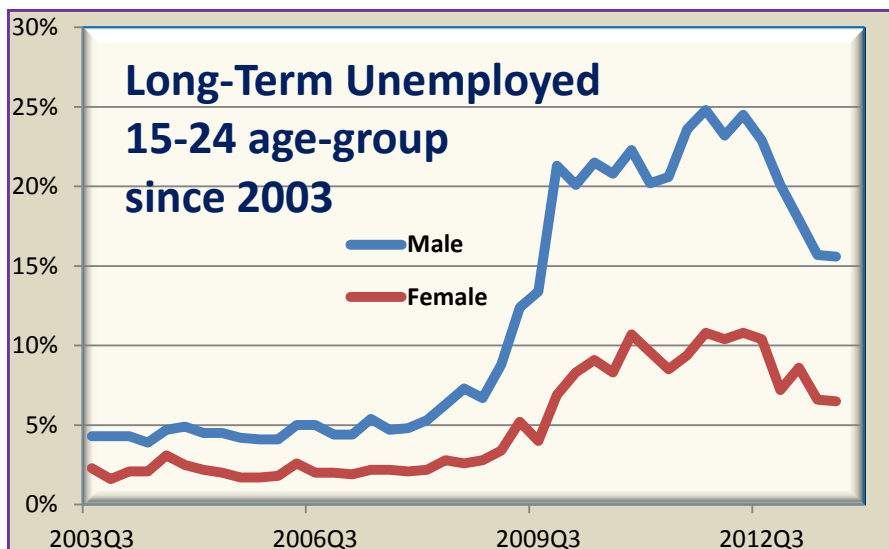
For the past five months DSP officials have cautioned potential bidders that the JobPath initiative would be subject to government approval. The projected time-line was for the bid request to be issued before the end of November.

Bidders will have a narrow **eight-week window** – up to late February 2014 – to complete the complex tender process and select local partners and contractors to provide training, counselling, motivational, career and employer engagement services.

Assessment of the JobPath bids will be undertaken in association with CESI-Inclusion, the welfare policy firm which has designed the tender process. A difficulty for interested bidders is the lack of **indicative pricing** to match the expected outputs. Allied to this will be profiling the potential client base in each of the 115 DSP local employment offices to build an accurate database.

In addition a clear system of **tender standards** will be necessary, with a mediation option, to ensure that all parties to JobPath can have confidence in the process and its public reputation.

Youth Guarantee slow to get off the ground despite EU €6bn pledge



Social Protection Minister: Joan Burton has approved JobPath tender moves

THE planned intervention for all those under-26 who are on the Live Register for more than four months may be watered-down.

The much publicised **Youth Guarantee** was due to start early in 2014. A lack of funding and training places means that the 42,000 eligible people will not all be offered appropriate training and work-experience.

The numbers of NEETs may remain above 20,000 despite the decision to cut younger people's welfare payments.

Private sector boost as jobless data back at 2009 levels

THE total number of persons in the labour force in the third quarter of 2013 was 2,182,100, representing an increase of 16,300 (+0.8%) over the year. The number of persons not in the labour force in Q3 2013 was 1,410,700, a decrease of 19,000 (-1.3%) over the year.

The numbers unemployed fell by 41,700 in the year to the end of September, reducing the total number of people out of work to 282,900, according to the latest Quarterly National Household Survey (QNHS). Separate data published by the CSO showed that the **Live Register in October fell below 400,000 for the first time in four years.**

As a result the seasonally adjusted unemployment rate decreased from 13.6 per cent to 12.8 per cent over the July to September quarter while the number of people unemployed fell by 18,000. This is the fifth quarter in succession where unemployment has declined on an annual basis and has led to the lowest rate of unemployment since 2009.

There was an annual increase in employment of 3.2 per cent or 58,000 in the year to the end of September, bringing total employment to 1,899,300. This compares with an annual increase in employment of 1.8 per cent in the previous quarter.

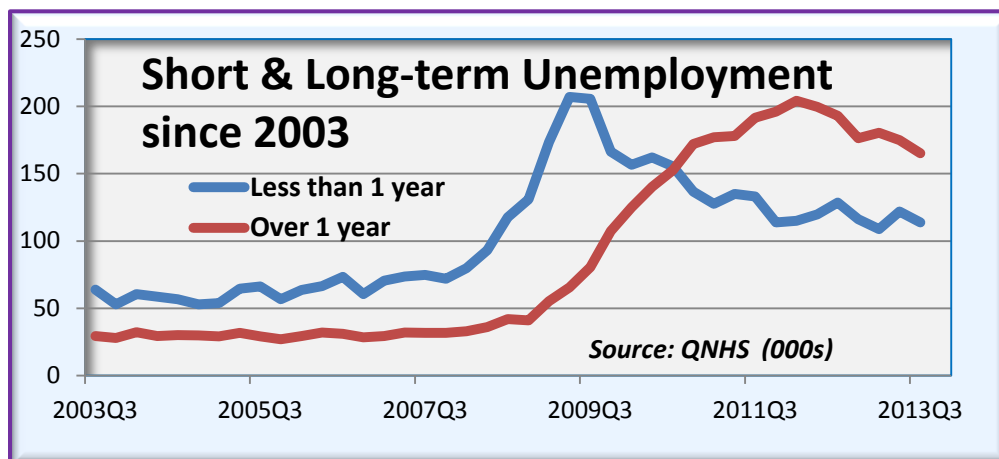
On a seasonally adjusted basis there were 22,500 more jobs in the economy in the July-September period. The figures also show a **decline in long-term unemployment from 8.9 per cent to 7.6 per cent** over the year.

It appears that more than 1,000 people a week are returning to work though this is still lower than the numbers emigrating from Ireland on a weekly basis.

Long-term jobless still the main issue

Much more analysis is needed into the 60 per cent of Live Register claimants classified as long-term. The chart below shows that the long-term unemployed (LTUs) remain roughly at a 2:1 ratio but the key aspect is the '2009 bulge' which has contributed to the numbers jobless for over two and three years who will be a JobPath challenge.

Ireland's first tenders for activation contractors will test the determination to develop the type of interventions called for by the EU/IMF/ECB Troika. Bids must be ready by mid-February.



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Align Management assists prime contractors investigating opportunities in Ireland as well as advising potential Irish subcontractors on building relations to benefit from JobPath tenders. Our work has been with training organisations, community and voluntary groups, employer bodies and local partnership companies helping to develop new activation opportunities for those seeking secure employment.

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