

# A JobBridge to Nowhere: The National Internship Scheme as Fast Policy Leading to Bad Policy

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# A controversial policy



# Does labour activation work?

- **Yes they do reduce unemployment** (Estavao 2003; De Serres and Murtin 2013; Murtin and Robin 2013)
- **No they don't reduce unemployment** (Baker et al. 2005; Dyke et al. 2006)
- **Only work if economy is good** (OECD 2009)
- **Can be effective but open to abuses: welfare-to-work etc.** (Martin 2015)
- **Usually don't work in short term but have long term benefits** (Vooren et al. 2016)

# New ALMPS in June 2011

Programme/Scheme	Administered by	Number of additional places under Jobs Initiative
National Internship Scheme (JobBridge)	D/Social Protection/FÁS	5,000
Specific skills training (short-term)	FÁS	5,000
Specific skills training (long-term)	FÁS	1,000
Back to Education Initiative	D/Education & Skills	3,000
Post Leaving Certificate (PLC)	D/Education & Skills	1,000
Springboard (3 <sup>rd</sup> level)	D/Education & Skills	5,900
<b>Total</b>		<b>20,900</b>

# JobBridge: good or bad policy?

- INDECON 2013 & 2016
- Displacement- this is the loss of jobs in other enterprises due to the competitive advantage given to organisations using the internship programme
- Substitution- this is employers replacing paid staff positions with unpaid interns.
- Deadweight Loss- this is the participation of young people in the scheme who would have found paid employment without it.

# Institutional background to JobBridge:

- Genuine crisis: youth unemployment 13% - 30.5%
- June 2009: WPP launched
- November 2009: Gradlink
- January 2010: Minister Hanafin allows gradlink interns to keep welfare payments.
- November 2010: National Recovery Plan 2011(Troika)

# Interests and the decision making process:

- Quick policy design (9 March 2011 till 1 July 2011)
- Feb 2011: Labour manifesto “Bridge the Gap” (also in programme for government)
- March 2011: New government
- April 2011: “Skills Development and Internship Programme” scrapped and JobBridge modelled on WPP.
- Minister Burton “personally invested” in scheme: e.g. employer contribution & Social Welfare and Pensions Act 2011.

# Interests and the decision making process:

- May 2011: controls for substitution scrapped by Minister
- May 2011: Finance refuses funding
- June 2011: No trade unions on steering committee
- Parents of unemployed youth



# Ideology:

- IBEC/SFA: no evidence of direct influence
- BUT- JobBridge site and process mimicked Gradlink
- Internship Culture
- Burton- “lifestyle choice”; Gilmore- “widescreen TVs”
- Ideological allies in government; No regulation of host organisations; quality control outsourced to interns

# Conclusion:

- Limited institutional influences (but precedent set for low regulation).
- Some ideological
- Interests:
  1. Labour Party / Government
  2. Private / Voluntary Sector
  3. Parents of unemployed youth

# Conclusion:

- Who Benefited?
  1. Middle class professionals (see deadweight losses)
  2. Business
  3. Small numbers of disadvantaged youth
- Who lost out in the long-term? (Labour and YESS)