



Irish National Organisation of the Unemployed

May 2011

Employer Incentives to Recruit Unemployed People

This leaflet identifies key incentives and services to encourage employers to recruit unemployed people.

Financial Incentives

The **REVENUE JOB ASSIST SCHEME** offers an employer significant financial incentives to recruit unemployed people through tax savings.

What's it worth to an employer?

An example of the saving to an employer using Revenue Job Assist would be almost **€16,000 over a 3 year period** based on a salary of €35,000 per year, Corporation Tax at 12.5% and PRSI at 10.75%. This is provided the –

- Company is in sufficient profit
- Person employed remains in the job for 3 years
- Person and the job both qualify

There is no limit to the number of employees an employer can take on under this scheme. An employer may also qualify for the Employer Job (PRSI) Incentive Scheme which can offer further savings.

QUALIFYING EMPLOYEES


To qualify an employer must employ a person who has been in receipt of Jobseeker's Benefit, Jobseeker's Allowance or certain other Social Welfare payments for 12 months or more.

QUALIFYING JOBS

Revenue Job Assist applies to jobs which:

- Are for a minimum of 30 hours per week
- Are capable of lasting at least 12 months

Revenue Job Assist does not apply to jobs that are:

- Mainly commission based
- As a result of the previous employee being unfairly dismissed
- Already grant-aided by agencies or schemes
- Taken up by a company director or their spouse
-  Usually employers will not qualify for Revenue Job Assist if any of their employees were made redundant in the 26 weeks prior to the start of the new employment.

HOW TO APPLY

 The Revenue Job Assist form is available to download from www.revenue.ie

Financial Incentives

The **EMPLOYER JOB (PRSI) INCENTIVE SCHEME** exempts employers from paying their share of PRSI for certain employees for 12 months from the date they are approved for this scheme. The purpose of the scheme is to support job creation.

The scheme is open to employers who create new and additional jobs in 2011. To qualify, both the job created and the person employed must meet certain criteria.

QUALIFYING EMPLOYEES

To qualify an employer must employ a person who has been in receipt of one of the following Social Welfare payments for a continuous period of at least 6 months.

| | |
|---------------------------|-----------------------|
| Jobseeker's Benefit | Jobseeker's Allowance |
| One-Parent Family Payment | Disability Allowance |
| OR | |

On the FÁS Work Placement Programme for at least 3 months

QUALIFYING JOBS

The job must:

- Be created in 2011
- Last for at least 6 months
- Be a new and additional job
- Be for at least 30 hours per week

Please note:

- Employers cannot substitute existing employees to avail of the scheme
- If the employment ends within 6 months of getting the exemption, the employer may be liable to pay the employer's PRSI contributions for that employee
- This scheme is limited to 5% of your existing workforce or, for smaller companies, a maximum of 5 new jobs.

HOW TO APPLY

If you have a new employee and are eligible for the scheme, fill in a PRSI 20 form which can be downloaded from the Department of Social Protection's website: www.welfare.ie. It is important that Revenue also receive the original Tax Clearance Certificate.

Work Placement Programme

The **Work Placement Programme (WPP)** facilitates employers to take on unemployed people for work experience placements which may last up to a maximum of 9 months. The person must have been in receipt of certain social welfare payments for at least 3 months. These payments include:

- Jobseeker's Allowance / Jobseeker's Benefit
- One Parent Family Payment
- Disability Allowance *
- Invalidity Pension *
- Blind Pension *
- Illness Benefit *

* Written approval must be received from the Department of Social Protection before starting the Work Placement Programme

If, at the end of the 9 month period, the employer is in a position to recruit the person they will have had ample opportunity to determine if they are suitable.

There are two different options on the programme: **Work Placement Programme 1 (WPP1)** and **Work Placement Programme 2 (WPP2)**. If you are a graduate with a Level 7 qualification you can apply for both the graduate placements (WPP1) and the non-graduate placement (WPP2). Otherwise you can apply for all non-graduate placements (WPP2)



An employer who recruits a person who has been on the Work Placement Programme for 3 months or more may be eligible for the Employer Job (PRSI) Incentive Scheme.

Businesses in the public, private, community and voluntary sector can apply to offer work placements. Employers will need to complete the work placement programme online application form. Application guidelines are also available to download from the FÁS website: www.fas.ie

Free Services

There are two main State employment agencies, the Local Employment Services (LES) and FÁS. They provide a range of supports to assist employers with their recruitment needs.

LOCAL EMPLOYMENT SERVICES (LES) provide a range of services to employers. These include:

- A free and confidential placement service
- Information on employment incentives on offer through the tax and social welfare systems
- Distribution of information on employer vacancies through local networks
- Networking opportunities with other local employers on common recruitment needs

FÁS is the National Training and Employment Agency and can assist employers with the recruitment of staff.

FÁS Jobs Ireland is a free online system where employers can register any vacancies they may have.

Most unemployed people are registered with FÁS and there are a huge number of jobseekers using this system. This system allows employers to display vacancies and retrieve and store jobseeker's CVs.



Irish National Organisation of the Unemployed

Information Service



01 856 0088



welfareinfo@inou.ie

websites: www.inou.ie www.redundancy.ie

FREE ■ CONFIDENTIAL ■ IMPARTIAL

Useful Links

| | |
|---|--|
| Department of Social Protection | www.welfare.ie |
| Department of Enterprise, Trade and Innovation | www.deti.ie |
| Department of Finance | www.finance.gov.ie |
| Government Departments | www.gov.ie |
| FÁS | www.fas.ie |
| Revenue Commissioners | www.revenue.ie |
| Small Firms Association | www.sfa.ie |
| Irish Small and Medium Sized Enterprises | www.isme.ie |
| Irish Business and Employers Confederation | www.ibec.ie |
| Irish Business and Finance Portal | www.finfacts.ie |
| Enterprise Ireland | www.enterprise-ireland.ie |
| Central Statistics Office | www.cso.ie |
| IFSRA | www.ifsra.ie |
| Chambers Ireland | www.chambers.ie |
| Irish Development Agency (IDA) | www.ida.ie |
| FORFAS | www.forfas.ie |
| Citizens Information | www.citizensinformation.ie |
| National Employment Rights Authority | www.employmentrights.ie |

Useful Phone Numbers

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|--------------------------------------|---------------|
| Revenue Employers helpline | 1890 25 45 65 |
| Department of Social Protection | 1890 927 999 |
| FÁS Head Office | 01 607 0500 |
| IBEC Head Office | 01 605 1500 |
| Small Firms Association | 01 605 1500 |
| ISME | 01 662 2755 |
| National Employment Rights Authority | 1890 80 80 90 |