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From: General Secretariat of the Council
To: Delegations
Subject: Investing in Youth Employment: Implementation of the Youth Guarantee

Delegations will find attached the IE country fiche.

IRELAND

1. Conclusions - 2017 multilateral surveillance review of the implementation of the YG

Ireland has a comprehensive offer available to young people and has made very good progress in implementing the Youth Guarantee. It has experienced a significant improvement in the labour market situation for young people. The NEET rate is above the EU average however Ireland has stressed issues relating to the complexity of the NEETs indicator which should be taken into account, particularly regarding the inactive NEETS. Ireland's approach tends to focus on the subgroup(s) actively searching for work. Those receiving disability benefits are a target group. There has been considerable progress in reducing the number of young people with spells of unemployment longer than 4 months. Support programmes create sustainable outcomes, supported by a clear focus on quality and evaluation. There are plans to improve links to employers and maintain efforts in dealing with early school leaving. There has been intensified engagement with young people: access to different programmes has been enhanced and partnerships have been strengthened alongside the more general apprenticeship reform. Timeliness of offers is a challenge. Ireland is planning to launch the Youth Employment Support Scheme in 2018 to further improve cooperation with employers and enhance insertion rates.

2. YG monitoring 2016: key data

Highlights

- ❖ The Irish data refer to unemployment benefit recipients aged 18-24 and therefore fail to cover inactive NEETs and those aged 16-17 supported through the education and training system.
- ❖ On average during 2016, more than six in ten (62.3%) of those registered in the YG scheme at any point during the year had been waiting for an offer for more than 4 months, with almost half of these (30.7% of the total) registered for more than 12 months.
- ❖ Less than two fifths (38.3%) of those leaving the scheme in 2015 took up an offer within 4 months of registration.
- ❖ The proportion of the NEET population covered by the Irish YG has fallen from 58.0% in 2014 to 44.4% in 2016. This reflects the fact that the scheme does not cover inactive NEETs who contribute an increasing share of the overall NEET population as youth unemployment continues to decline.
- ❖ Follow-up data show that seven in ten (70.7%) of those leaving the YG in 2016 were known to be in employment, education or training 6 months later, more or less in line with results in 2014 and 2015.
- ❖ Longer-term follow-up of those leaving in 2014 and 2015 are encouraging, and indicate that around two thirds of those passing through the YG in each year were in a positive situation 12 or 18 months after exit.
- ❖ Overall, the Irish YG scheme fails to cover inactive NEETs (at least in the data) and appears to be relatively ineffective in delivering offers within the 4-month target. However, it appears quite successful in delivering sustainable outcomes, which implies that the offers provided are of good quality.

Introduction

Ireland presented a Youth Guarantee Implementation Plan in December 2013. The intervention and activation process governing the Youth Guarantee will essentially be a tailored version of the Pathways to Work activation model which was launched in 2011 and updated in 2013.

The YG scheme was introduced in January 2014 and targets two distinct groups: early school leavers aged under 18 and unemployed youth aged 18-24. Only the latter group is covered by the monitoring data. The public employment service (PES) is in charge of establishing and managing the Youth Guarantee scheme; other government departments are responsible for specific aspects.

Further information is available in the national YG implementation plan.

1 Quality of data

1.1. Key changes compared to 2015

No changes. Data for 2016 were provided on the same basis as data for 2015.

1.2. Data quality 2016

Ireland has provided the majority of data requested in accordance with the definitions of the YG Indicator Framework, except that observations of age always refer to the date of observation (i.e. on entry, on exit and on the date of observation for stock), which means that people may move between age-groups as their spell of participation in the YG progresses.

The Irish YG data also cover only part of the target population. YG actions to support people aged under 18 and those aged 18-24 not in receipt of an unemployment benefit are not covered. This includes, for instance, those claiming a social benefit with no requirement for active job-search.

Improvements to the data could also be made in terms of better distinguishing the different types of offer. Currently apprenticeships are reported as employment and some of the programmes reported as traineeships might be better considered as continued education.

Details of the data provided and any divergence from the definitions are presented in [Table 1](#).

Table 1: Completion and comparability of direct monitoring data, 2016

Coverage of data	
Providers	Department of Social Protection
Participants	Unemployment benefit recipients aged 18-24. Data therefore miss NEETs aged under 18 and those aged 18-24 not in receipt of an unemployment benefit. Note: Recipients of unemployment benefits coincide with the measure of registered unemployment in Ireland.
Completion of data	
Missing data	None.
Data recording	
General	– All data are rounded to the nearest 100.
Entrants	– Entry coincides with the start of a claim for unemployment benefits and thus registration as unemployed.
Exits	– Exit coincides with the end of a claim for unemployment benefits and thus the end of the unemployment spell.
Exits by destination	– Exits to apprenticeships are reported under exits to employment. – Exits to some education offers recorded derive from self-declaration of participants ending a claim for unemployment benefits. – Exits to (subsidised) traineeships cover a wide range of programmes, some of which might be better recorded as continued education offers or employment offers. – Exits to subsidised employment cannot be identified (from all exits to these destinations). – Exits to inactivity generally refer to individuals who moved onto another welfare payment which is not related to unemployment and does not apply labour-market conditionality (e.g. benefits related to illness/disability or maternity). – Proportion of unknown destinations: 19.8%.
Follow-up T	– Apprenticeships are reported under employment. – Some subsidised offers to employment and continued education are included under traineeships. – Proportion of unknown situations (6m after exit): 9.6%.
Comparability of data	

Definitions

- Age is measured on the date of observation (not in accordance with §65 of the methodological manual which requires age on entry).

Across time

- Data fully comparable.
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Source: YG monitoring template (quantitative data).

2 Monitoring results

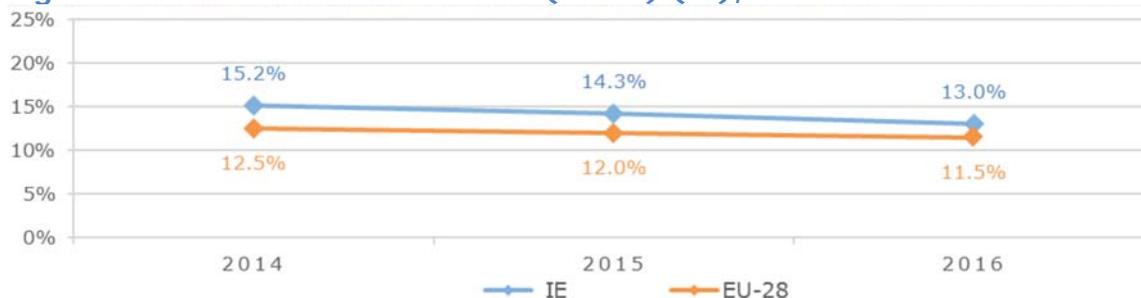
This section presents the results of YG monitoring on the basis of the [Indicator Framework for Monitoring the Youth Guarantee](#). Aggregate monitoring indicators are based on data from the EU Labour Force Survey and are considered comparable between countries. Direct and follow-up monitoring indicators are, however, based on national administrative data and, although they are in principle based on a common methodological framework, differences in definitions, institutional practices and the capacity to collect all of the necessary data, particularly in relation to follow-up, may impact on the comparability of data between countries. Readers are recommended to refer to the [Notes about the data](#) in annex to this report.

2.1 Aggregate monitoring: Macroeconomic indicators

Indicators for aggregate level monitoring of the YG are based on data from the EU Labour Force Survey (LFS) and are intended to monitor the general situation of young people in the EU. The evolution of these indicators through time represents an indirect means of monitoring the effects of implementing the YG and may also reflect the impact of preventive measures to help young people avoid falling into unemployment or inactivity. The aggregate level indicators are complemented by the direct and follow-up level indicators that monitor the efficiency and effectiveness of YG delivery and help to disentangle the impact of policy measures from general economic developments.

The main indicator for YG monitoring at the aggregate level is the NEET rate for young people aged 15-24 – i.e. the proportion of people aged 15-24 that are not in employment, education or training. In 2016, the NEET rate in Ireland was 13.0%, slightly above the rate for the EU as a whole (11.5%) (see [Figure 2](#)). Since the launch of the YG in 2014, the NEET rate in Ireland has improved (fallen) by 2.2 percentage points (pp) compared to 1.0 pp at EU level.

Figure 2: Main indicator: NEET rate (15-24) (%), 2014-2016



Source: Eurostat, Labour Force Survey, data extracted 19 October 2017.

2.2 Direct-monitoring: effectiveness of YG implementation

The main indicator for direct monitoring shows that, on average in 2016, approaching two-thirds (62.3%) of young people aged 15-24 currently registered in the YG had been in the preparatory phase beyond the 4-month target, significantly above the EU average of 49.1%, though an improvement of 5.0 pp compared to 2014 (see [Table 3](#)).

Table 3: Main indicator: Proportion of young people in the YG preparatory phase beyond the 4-month target, 2016

Still in the YG preparatory phase after 4 months:	2016	2014-2016 change (pp)	EU average Total (15-24)
Total (15-24)	62.3%	-5.0	49.1%
Breakdown by age			
15-19	55.6%	-1.5	46.2%
20-24	64.5%	-5.7	49.3%
Breakdown by gender			
Men	63.4%	-5.1	48.0%
Women	60.7%	-4.6	49.9%

Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

The proportions remaining in the YG for more than 6 months (51.3%) and more than 12 months (30.7%) are also well above EU averages (36.2% and 18.3% respectively)¹ (Figure 3).

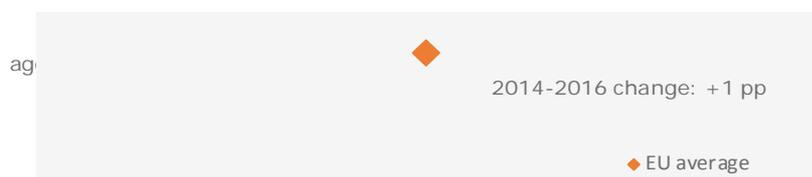
At the same time, the supplementary indicator for direct monitoring shows that only 38.3% of those leaving the YG in 2016 took up an offer within 4 months, some way below the EU average of 44.5%. Together with the main indicator, these results indicate that the Irish YG is failing to deliver offers in a timely manner to young people who become registered unemployed and that implementation could therefore be improved.

Figure 3: YG implementation, direct monitoring indicators, 2016

Main indicator: Proportion of young people in the YG preparatory phase beyond the 4-month target (durations 4,6 and 12 months) (% YG stock)



Supplementary indicator: Positive and timely exits from the YG preparatory phase (% exits)

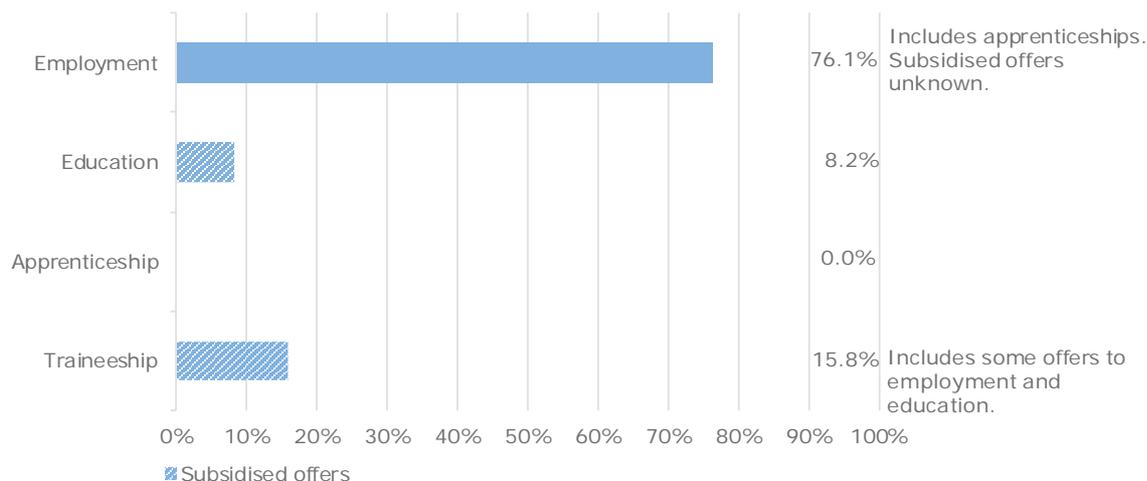


Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

¹ As for the preceding footnote; among the inflow to YG in IE in 2016, the proportions that remained in the preparatory phase beyond 6 and 12 months are estimated at 36% and 18%, respectively.

Just over three-quarters (76.1%) of the timely offers achieved are reported as being to employment, though this includes apprenticeships which cannot be separately identified (see Figure 4). However, national data indicate that take-up of newly-registered apprenticeships in 2016 (3,700) was equivalent to about 14% of the exits to employment². The proportion of employment offers that were subsidised is not known but is likely to be insignificant as Ireland does not widely use employment incentive measures and the majority of available supports are included under exits to traineeships. The remaining offers reported – 15.8% to traineeships (includes some offers to subsidised employment and education) and 8.2% to continued education – were all subsidised, probably because unsubsidised offers (e.g. return to regular education) are not recorded in the data.

Figure 4: Distribution of positive and timely exits by destination (% timely & positive exits), 2016



Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

2.3 Direct monitoring: coverage of the YG target population

The Council Recommendation on establishing a Youth Guarantee³ aims to ensure that all young people under the age of 25 years receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education. Reaching the entire population, and in particular those that do not come forwards on their own initiative, is one of the key challenges confronting YG providers in all countries.

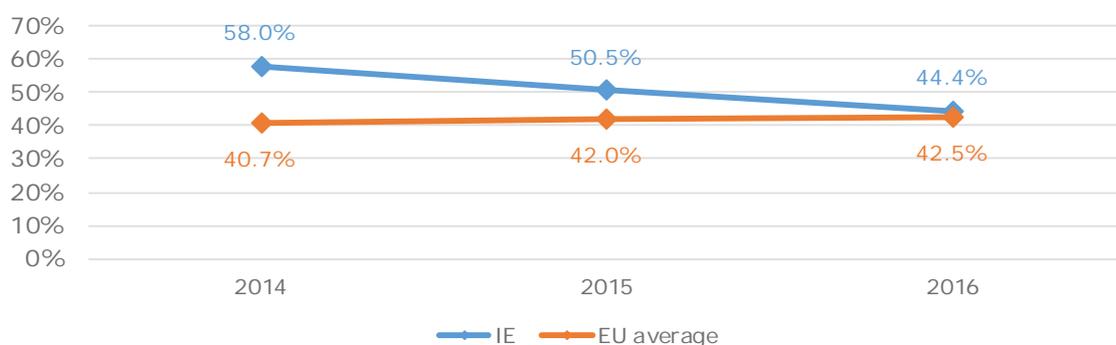
The second supplementary indicator for direct monitoring uses NEET rates and population data published by Eurostat together with the annual average stock of participants in the YG preparatory phase in order to estimate the proportion of the NEET population that is covered by the YG scheme (see Figure 5). Note that the criteria used to delimit the NEET population used in the denominator, which is derived from the EU Labour Force Survey (LFS), may differ from the specific conditions applied in each country to register in the YG, so that the two populations may not fully overlap. In other words, the LFS NEET population is a proxy for, rather than an exact measure of, the YG target population. Consequently, results for this indicator should be considered as the best available estimate of the coverage of YG schemes.

² Although apprentice recruitment is not subsidised, all apprenticeships might be seen as subsidised to some extent as the off-the-job training element is provided free by public FET institutions.

³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:120:0001:0006:EN:PDF>

In 2016 the Irish YG scheme covered 44.4% of NEETs aged 15-24, more or less in line with the EU average (42.5%). Strikingly, however, coverage of the NEET population in Ireland has decreased progressively from 58.0% in 2014. This decline in coverage is most likely attributable to the fact that the YG monitoring data cover only unemployed NEETs and miss inactive NEETs. Whilst the NEET rate for unemployed has fallen from 7.1% in 2014 to 5.1% in 2016, the NEET rate for inactive has remained more or less constant (8.1% in 2014 and 7.9% in 2016). It means that the share of inactive in the NEET population as a whole has increased so that the YG scheme, which covers only unemployed NEETs, will inevitably cover a smaller proportion of the overall NEET population. Ireland has previously expressed concerns about the measurement of NEETs using the LFS data (e.g. because they can include people that are effectively students waiting for a course to start or on temporary absence from courses). If no account is taken of this factor, the indicator results suggest that the YG scheme (or at least the monitoring data) is failing to reach a significant proportion of the target group (i.e. NEETs that do not register as unemployed). If self-declared students are excluded from the NEET population measured by the LFS, the coverage of the Irish YG is estimated to be 65% in 2016⁴.

Figure 5: YG participants as a proportion of the NEET population (%), 2016



Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

2.4 Follow-up: sustainability of YG outcomes

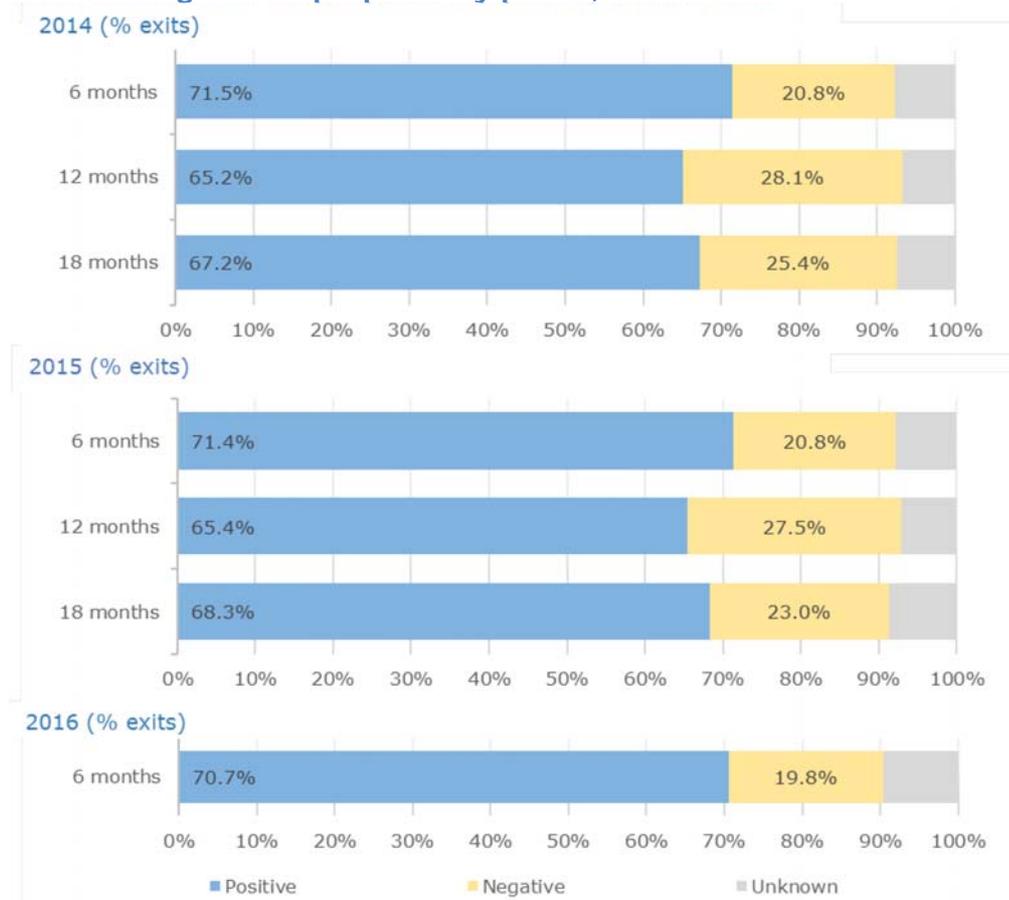
The main follow-up indicator on the situation of young people after exiting the YG preparatory phase shows that, in Ireland, 70.7% of those leaving during 2016 were known to be in a positive situation (i.e. in employment, education, an apprenticeship, or a traineeship) 6 months after exit. This figure is well above the EU average of 48.5%, and more or less in line with results in previous years (Figure 6). Moreover, longer-term follow-up data indicate that these results are sustainable in that around two-thirds of those leaving in 2014 and 2015 were in a positive situation 12 or 18 months later.

These results are encouraging. When considered alongside the direct monitoring indicators it suggests that whilst the Irish YG covers only part of the target population and is relatively ineffective at delivering offers within the 4-month target, the offers provided are of good quality and the outcomes achieved sustainable.

⁴ This factor is reflected in the Eurostat distinction of NEETs who want/do not want work. In 2016, less than 50% of NEETs in IE are reported by Eurostat as wanting to work, as compared with about 70% in the EU. YG coverage of NEETs who want to work was, as a result, over 90% in IE as compared with 63% for the EU on average.

In the Irish follow-up data, the numbers known to be in a negative situation refer to those in receipt of a social benefit, which are subdivided into those receiving an unemployment related benefit (and therefore re-entering the YG) and those receiving another social benefit (recorded as inactive). The former represent by far the majority of this group. Around 25% of those leaving the YG in both 2014 and 2015 were unemployed again a year later. By definition within the Irish monitoring system, in which a new claim for unemployment benefits is counted as entry to the YG, this group accounts for those recorded as re-entrants (i.e. as entrants with previous YG experience). Although the recycling rate of 40.2% observed in 2016 (see section 0) then seems high when compared to only around 25% of those leaving in previous years become unemployed again, it is probably plausible given the falling numbers passing through the YG (46,500 new starts in 2016 compared to 60,200 in 2014).

Figure 6: Follow-up main indicator: Situation of young people 6, 12 and 18 months after exiting the YG preparatory phase, 2014-2016



Source: DG EMPL, YG monitoring database, data extracted 14 November 2017.

2.5 Additional results for the 25-29 age-group

The Irish YG covers only young people aged under 25. Accordingly, Ireland did not provide optional data for the 25-29 age-group.

Annex

Notes about the data

Comparability. Data are compiled on the basis of a common methodology - the [Indicator Framework for Monitoring the Youth Guarantee](#), endorsed by the Employment Committee (EMCO) in May 2015, and the accompanying methodological manual – and are therefore considered broadly comparable between countries. Nevertheless, it is important to bear in mind that the data for direct and follow-up monitoring are derived from national administrative registers that are designed to support and monitor specific national systems, which vary in terms of the processes followed and definitions applied and may, therefore, result in some inherent differences between countries. These differences are, however, expected to be relatively minor and more important differences are those that derive from the way in which YG schemes have been implemented and the capacity of countries to provide complete data.

In relation to implementation, the size and composition of the population registered in the YG will initially be different for countries that implemented the YG as a completely new approach and monitored inflows starting from zero, compared to countries that implemented the YG as a reinforcement of existing processes and monitored inflows accumulating with the existing stock. Countries in the former group will tend to have a smaller stock with lower average duration. Differences that result from this artefact of the data are guaranteed to reduce through time, evidence of convergence was apparent already in the 2015 data, and continued in the 2016 data.

The capacity of countries to monitor what happens to young people on leaving the YG impacts on the quality of data on both exits and follow-up but particularly for the latter. Almost half of Member States (15) either provide no follow-up data (8) or do not know the subsequent situation of the majority (at least 2/3) of young people passing through the YG (7 countries).⁵ The problem derives from a lack of capacity to routinely link administrative registers or legal restrictions to do so. The investment needed to link PES registers and other administrative registers (e.g. social security) would have benefits not only for YG monitoring but also for other EU level data collections (e.g. LTU and LMP) as well as providing a base for policy evaluation at national level.

Coverage indicator. The second supplementary indicator for direct monitoring measures the proportion of the NEET population (average across the year) that is registered in the YG preparatory phase (annual average stock). Whilst data for the numerator are derived from administrative data in each country, the only available comparable data on the size of the NEET population that can be used as a denominator derive from the EU Labour Force Survey. This uses a definition of NEETs that is common across countries⁶ but which may vary from the definitions applied in the context of national YG schemes and in the administrative data used to monitor these. Results should thus be interpreted as an estimation, rather than a definitive measurement, of the extent to which YG schemes achieve the objective of reaching all young people that become, or are already, NEET.

EU level data. Figures labelled “**EU-28**” used in aggregate level monitoring are based on aggregates of all NEETs in all Member States and therefore represent weighted averages, which can be significantly influenced by the situation in a small number of large countries. Figures labelled “**EU average**” are unweighted averages of all available country figures. In relation to the destination of exits and follow-up data, the EU averages are liable to be understated due to significant numbers of unknown destinations or subsequent situations in some countries.

⁵ Based on 2016 data for Follow-up T-1 (i.e. data on the situation of participants who left the YG preparatory phase in 2015).

⁶ See [http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:Young_people_neither_in_employment_nor_in_education_and_training_\(NEET\)](http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:Young_people_neither_in_employment_nor_in_education_and_training_(NEET))