

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 14th JULY 2015**

Question

Will the Minister explain what happens when employers who are claiming the employer incentive (up to 6 months wages at the minimum wage and contributions) to take on “back to work” employees do not offer the candidates permanent employment at the end of the period?

What arrangements, if any, are in place to ensure that the incentives do not become a source of cheap labour for the employer over a period of time?

If an employee on such a scheme is let go as unsuitable after having worked for 12 weeks or more, is the employee sanctioned and does the employer repay any sums claimed?

Answer

Tackling unemployment remains a priority and there is an ongoing need to provide support to those who require the most help to get back into work.

The Employment Incentive provides access to sustainable employment for people who have been registered as long term unemployed. This scheme qualifies businesses to be reimbursed for payment of Social Security contributions and six months’ salary at minimum wage when they fill a full-time role with a jobseeker who is registered long-term unemployed (6 months for clients aged 16-24 years and 12 months for clients aged 25 and above). This incentive is only available for permanent positions there is no provision for temporary roles to be approved under this scheme. All applications are discussed in detail with employers and thoroughly verified by officers in the Back to Work Recruitment team.

Throughout the 6 month period the employee and employer are provided with ongoing in-work support from a dedicated Back to Work Advisor. This provides a realistic timeframe for the employer to induct, train and develop the employee to become an asset to their business at no additional financial cost, whilst the individual has the opportunity to gain experience and develop their skills and knowledge. Departmental officers are available throughout to assist in resolving any potential problems if they arise, thereby affording the greatest opportunity for the individual to achieve their potential and thrive in their new position. This scheme affords both financial and practical support. It provides an incentive for employers to take on staff that may not ordinarily have been considered as the best candidate due to significant periods of unemployment, or in some cases other barriers to employment, whilst the employee can earn a wage and gain valuable experience to help them progress within their chosen industry.

If an Employment Incentive employee leaves work of their own volition and wishes to make an application for Income Support benefit they are subject to the same rules as every other claimant regarding the sanction process. In circumstances where employment cannot continue the employer is still able to claim a payment under the Employment Incentive subject to Back to Work being fully satisfied that the employer has done everything they can to ensure sustainability of employment.