



# PES Review Workshop

May 2021

# PES Review Workshop

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# Part I

# Introduction

# Public Employment Services (PES) - definition

Public employment services are specific government entities with various functions that support the promotion of employment, depending on national employment policies and its legislated remit.

They plan and carry out many of the active and sometimes passive labor market policies used to help workers enter the labor market, facilitate labor market adjustments, and cushion the impact of economic changes.

They also typically provide labor market information, offer job-search assistance and placement services, administer unemployment insurance benefits, and manage various labor market programs.

They provide services to both jobseekers and enterprises.

# PES review and its objectives

This review looks at the overall system and specific practices in ten countries: Australia, Austria, Chile, Denmark, France, Germany, Ireland, South Korea, the Netherlands, and United Kingdom.

→ With the aim of:

- Getting an overview of the PES and the delivery chain across countries
- Understanding how the PES operates in each country and identifying innovative practices
  - PES in general: autonomy, governance, management, etc.
  - The delivery chain: how are services delivered?
  - Provision of services: in-house, outsourced, or mixed?

# Overview of the database

		Austria	United Kingdom	Australia	Netherlands
Sources	Databases	PES Database, MISSOC Database	PES Database, MISSOC Database		PES Database, MISSOC Database
	Literature	Inter-American Development Bank	Inter-American Development Bank	Powers, I.L.O. (2017), Inter-American	European Commission (2017),
	Websites	<a href="#">European Commission</a>	<a href="#">United Kingdom Government</a>	<a href="#">Services Australia</a>	<a href="#">Employment, Social Affairs &amp;</a>
		<a href="#">AMS Website</a>	<a href="#">Universal Credit</a>	<a href="#">Department of Education, Skills and</a>	<a href="#">UWW Website</a>
<a href="#">Austrian Ministry for Regional Economic</a>		<a href="#">UK Parliament</a>	<a href="#">Australian Government</a>	<a href="#">Government Information for</a>	
	of Vienna, Ministry of Finance,		<a href="#">Jobactive website</a>	<a href="#">in Surina News</a>	
General Information	Abbreviation	AMS	JCP	JSA	UWW
	Name	Arbeitsmarktservice	Jobcentre Plus	Jobactive	UWW-Werkbedrijf
	Organizational	Public agency responsible to the	The Department for Work and	Regulated under Jobactive Deed	Administration
	Duties	• Job placement	• Active labour market policies	• Ensure that jobseekers meet the	• Providing services to jobseekers and
	Governance	• PES is not a subject of ministerial	• JCP is part of DWP and responds to it	• As there is not a single PES agency,	• Both municipalities and UWW are
	HR Management	Duties:	N/A	N/A	Work coaches provide counselling
	Management	• Principle of management by	• Principle of management by	• Jobactive provides guidelines for the	• Principle of management by
Decentralization	Managerial decentralization within	• Managerial decentralization within a	• All of the privatized employment	• Managerial decentralization within	
Developments	Reforms	The 2005-2008 National Reform	In 2001 certain operations from the	The Australian Government made a	In 2002 the
	Responses to Crises affecting	• PES supports companies in crisis with <a href="#">short-term (Kurzzeitlich) measures</a>	• PES supports companies in crisis	• Providers support companies in crisis	<a href="#">Business to COVID-19</a>
Resources	Offices	108 in total. Headquarters, 9 state	637 (2018)	The network of about 40 providers	Head office in Amsterdam and 30
	Number of Staff	1,001 – 2,000	2,001 – 4,000	4,001 – 8,000	8,001 – 12,000
	Number of Staff	5,606 (2017)	11,000 front-line full-time Work	Not available	Total staff of 4,365
	Budget	Budget (2016)	No recent information found	Budget (2019-20)	Budget (2013)
	Funding and Information	Contributions to social security, the	Funded by public sources: the	Funded by public sources	paid by employers and/or workers.
Outreach	Channels	• The info-zone is available to	• Contact centres: take customer	• A call center is available for	• Call center and digital information
	Registration	• Personal in offices	• Personal in local offices	• Personal offices of providers	• Personal, regional and local offices
Intake: Clients	Registration	• Register as unemployed via eAMS	• New benefit claims are made mostly	• Jobactive services are available for	• New benefit claims are made online
	Jobseekers	• Right to register: Anyone (whether	• Right to register: UK nationals, EU	• Mandatory registration: jobactive	• Right to register: all Dutch citizens
	Employers	No legal obligation to register job	No legal obligation to register	• Employers can use a local jobactive	No legal obligation to register job
Assessment and Enrollment	Others	• Persons interested in obtaining	• Benefits for inactive customers of	• Service for clients registering	• Non-registered users can also use
	Profiling	Statistical profiling	Soft profiling: a mixture of rules-	Statistical profiling	Statistical profiling
Unemployment Benefits and Social Assistance	Streaming and	• The statistical profiling tool serves as	• According to the assigned category,	• Benefit level is based on the stream	• The profiling tool classifies jobseekers
	Unemployment Benefits	AMS manages the unemployment <a href="#">unemployment assistance</a> .	JCP manages the unemployment <a href="#">unemployment assistance- Income</a> .	Jobactive is not responsible for the <a href="#">unemployment assistance</a>	UWW is responsible for the <a href="#">older workers unemployment</a> .
	Conditionalities	<a href="#">Conditionalities</a>	<a href="#">Conditionalities</a>	<a href="#">Conditionalities</a>	<a href="#">Conditionalities</a>
Services	Social Assistance	In Austria, there are two forms of	Universal Credit (UC) is a benefit for	Jobactive is not responsible for	Social assistance (WWB), is provided
	Employment	For Jobseekers	For Jobseekers	For Jobseekers	For Jobseekers
Intermediation	ALMP	• Target groups	• Target groups	• Target groups	• Target groups
	For Jobseekers	• Computerized matching between	• Self-service access to job vacancies	• Self-service facilities at local offices	• Self-service access to job vacancies
Monitoring and Evaluation	For Employers	• Computerized matching between	• Advertising of job vacancies through	• Registration of vacancies by	• Advertising of vacancies via the
	Duration of the	Unemployment insurance benefits	Unemployment insurance benefits	Beneficiaries of income support have	Unemployment benefits can be
	Performance Evaluation of	• External evaluation (Austrian <a href="#">The AMS scores and indicators LM2</a> )	• PES is under the monitoring of the	<a href="#">Evaluation of providers performance</a>	• Performance is assessed in relation
Provision of Services	Provision	Mostly by PES but subcontracting and	Majority of services are provided by	All services are delivered by private	• Case management is mostly done by
	Partnerships	Close collaboration between the state	Close collaboration with employers,	Providers and other Australian	The municipalities and the private
	Subcontracting	• Territorial Employment Pact:	• The Learning and Skills Council (LSC)	• Collaboration between providers and	• The most important partnership is
	• Non-profit and for-profit	• Performance-based contracting	• Results-based contracting (New	• Performance-based contracting.	

# Part II

# Insights and Observations

# PES models variate on several aspects

- Autonomy
- Range of services
- Benefits, conditionalities and sanctions
- Mode of service provision
- Management and performance evaluation



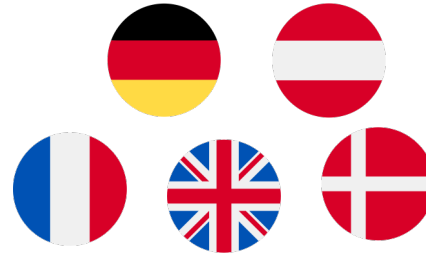
IDB and WAPES (2015) have identified three ways to group them according to:

- I. Functions and range of services
- II. Legal structure
- III. Implementational structure



# 1. PESs according to functions and range of services

(not intended to rank the quality or performance)



Comprehensive set of functions assigned as duties (5-6) and comprehensive range of services (over 80% in a given function)



Core set of functions (3-4) as duties and moderate to comprehensive range of services



Comprehensive set of functions as duties but moderate range of services (41-80%)



Core set of functions with limited (up to 40%) to moderate range of services


## 2. According to autonomy

- I. Public agencies responsible to the ministry  
Austria, Denmark, Chile, France, Germany, the Netherlands
  
- II. A line department of the Ministry  
Ireland, Republic of Korea, United Kingdom
  
- III. No agency or organization but ministerial responsibility  
Australia


# Public agencies can have organizational structures for own service delivery or a decentralized network model

## Decentralized systems



 Municipalities are responsible for service delivery, but STAR (at the central level) ensures correct implementation in the job centers, monitors that combined efforts of the localized delivery system are meeting national objectives, and supports the municipalities.



 Municipalities are responsible for service delivery, but there is no single entity providing a framework. The National Employment and Training Service (SENCE) supports the municipal employment offices and promotes coordination, but there is still considerable variation across local offices.

➔ In the case of decentralization or several agencies involved in PES provision (e.g., Korea), coordination is very relevant to ensure standardization of services and avoid double serving.

# An institution can manage coordination, but nationwide digital information systems can also serve as a tool to coordinate across actors.



A nationwide IT system is used by the state, municipalities, and the unemployment insurance funds in their work with jobseekers. This system is the basis for a coordinated and effective response to the unemployed, the public and private companies across the country.

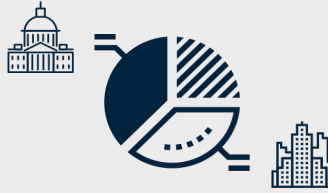


An integrated information system with access for all relevant stakeholders is available across the country. Several interconnected Nets, provide information about jobseekers to the multiple agencies providing public employment services and external providers.

# 3. According to service provision



**Public**



**Mixed**



**Private**



**80%**

Most of the services are provided by the PES. Outsourcing for training and placement is done through pre-selection of providers and a voucher system.



**60%**

The PES delivers 60% of the services with the option of outsourcing primarily for ALMPs, e.g., The Work Programme for LTU.



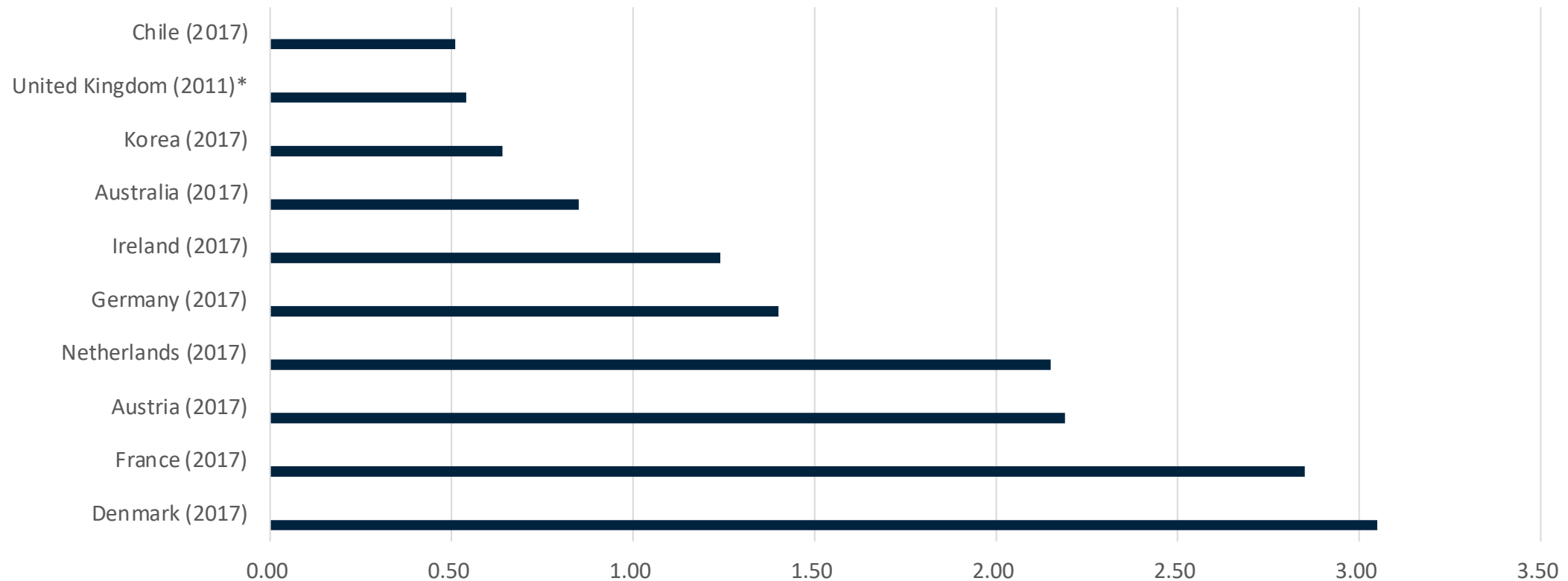
**100%**

The entire delivery of employment services is outsourced to private providers.

# Countries allocate different amounts of GDP to Labor Market Programs (active and passive)

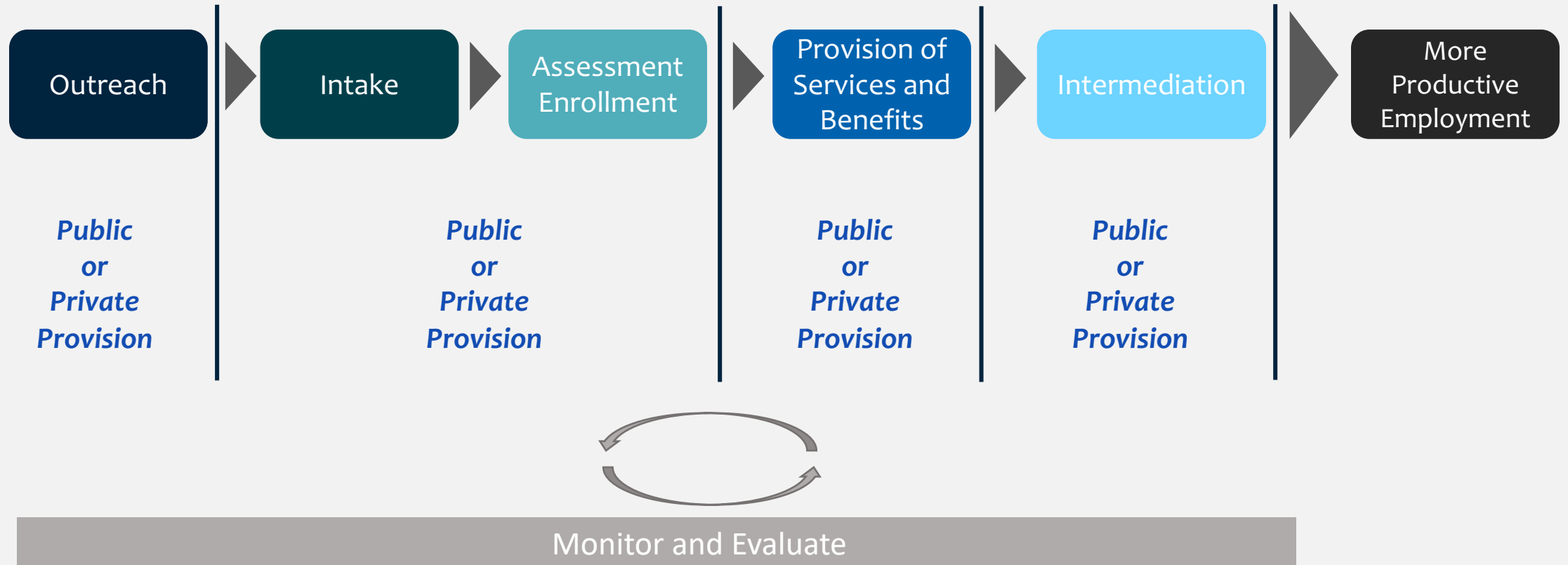
Graph shows the public expenditure of Labour Market Programs (LMP) as a percentage of GDP in each country

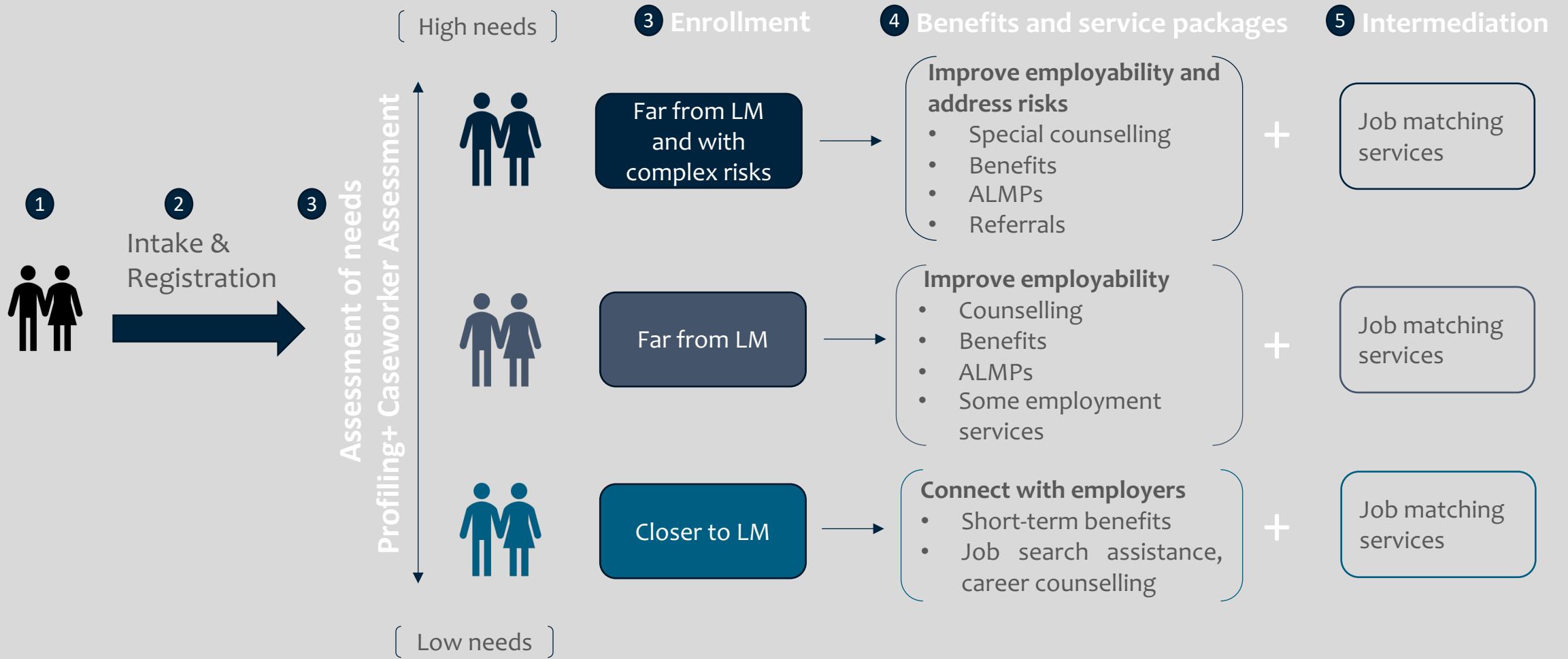
Public expenditure as a % of GDP



\* No recent data found for the UK in the OECD and EC databases. The PES was absorbed by the Department of Work during 2011 and only general expenditures seem to be available after this.
















































# Despite great variations in the systems, all countries seem to share a similar delivery chain







# We can identify innovations, good practices and possible issues along the delivery chain

	Outreach & Information Services	Intake	Assessment and Enrollment	Provision of Services and Benefits	Intermediation	Monitor and Evaluate
<b>Innovations</b> 	<ul style="list-style-type: none"> <li> Harvest Info Services</li> <li> Job World</li> <li> Work Net</li> </ul>	<ul style="list-style-type: none"> <li>  Registration at UI fund and PES</li> </ul>	<ul style="list-style-type: none"> <li>  Jobseekers streams linked to conditionalities</li> <li> Profiling based on big data approach</li> </ul>	<ul style="list-style-type: none"> <li> Special centers for certain groups</li> <li> Work Program</li> <li> Work for the Dole</li> <li> “Internet first” approach</li> <li> eCollege, Tús</li> </ul>	<ul style="list-style-type: none"> <li> Speed-dating events</li> <li>  E-job fairs</li> <li> Workindenmark</li> <li> WorkNet</li> </ul>	<ul style="list-style-type: none"> <li> CV Quality Card</li> <li> Double monitoring of jobseekers (UI funds and PES)</li> </ul>
<b>Good practices</b> 	<ul style="list-style-type: none"> <li> Labor Market Balance</li> <li> National Observatory</li> <li>  Mobile services</li> <li> Info Zone</li> </ul>	<ul style="list-style-type: none"> <li> Integrated intake for all benefit claimants</li> </ul>	<ul style="list-style-type: none"> <li> Service zones</li> <li> The Work Profiler and the Personal Work Folder</li> <li> The ‘4-Phase Model</li> <li> Statistical profiling</li> </ul>	<ul style="list-style-type: none"> <li> FiT - Women in crafts and technology</li> <li> Self-employment scheme</li> <li> Pre-apprenticeship training</li> <li> Emploi Store</li> </ul>	<ul style="list-style-type: none"> <li> Jobservice</li> <li> SÖBs</li> <li> Small Business Recruitment Service</li> </ul>	<ul style="list-style-type: none"> <li> AMS Scorecard</li> <li> Jobindsats.dk &amp; economic incentives for municipalities</li> </ul>
<b>Possible issues</b> 	<ul style="list-style-type: none"> <li> Low-scale outreach despite voluntary registration</li> </ul>		<ul style="list-style-type: none"> <li> Individual diagnosis not implemented in all offices</li> </ul>	<ul style="list-style-type: none"> <li> Black box subcontracting</li> </ul>		<ul style="list-style-type: none"> <li>  Target: off-flows from benefit</li> </ul>

# Flexibility, job retention schemes and digital services as key responses to the COVID-19 crisis



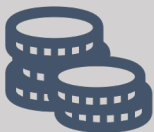
E-learning as an alternative to continuing skills improvement in most countries. e.g., eCollege in Ireland and Capacítate para el Empleo in Chile.



Online employment services development, for example, Australia introduced a new system enabling the provision of services through the internet.



Short-time work, suspension of contracts, and/or wage subsidy schemes have been made available to employers in most countries.



Easier access to benefits (e.g., minimum income in Germany), the extension of benefits (e.g., France), transfers to newly unemployed (e.g., Ireland's Pandemic unemployment Payment) have also been introduced in several countries.

# Part III

# Conclusions

# Concluding thoughts

- There is a significant variation across countries in the different PES areas despite similar delivery chains.
- Benchmarking indicators and comparison across countries, in general, seems complex due to the significant variation in the systems, BUT innovative practices can be identified across countries.
- Therefore, recognizing good and innovative practices can be a valuable approach to determine what is interesting, what works well, and what can be implemented in the Saudi case.

**Sessions on each of the sections of the delivery chain will follow in the coming workshops...**



**Thank you!**