

Outreach to and ALMPs for people furthest from the labour market

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08 December 2020



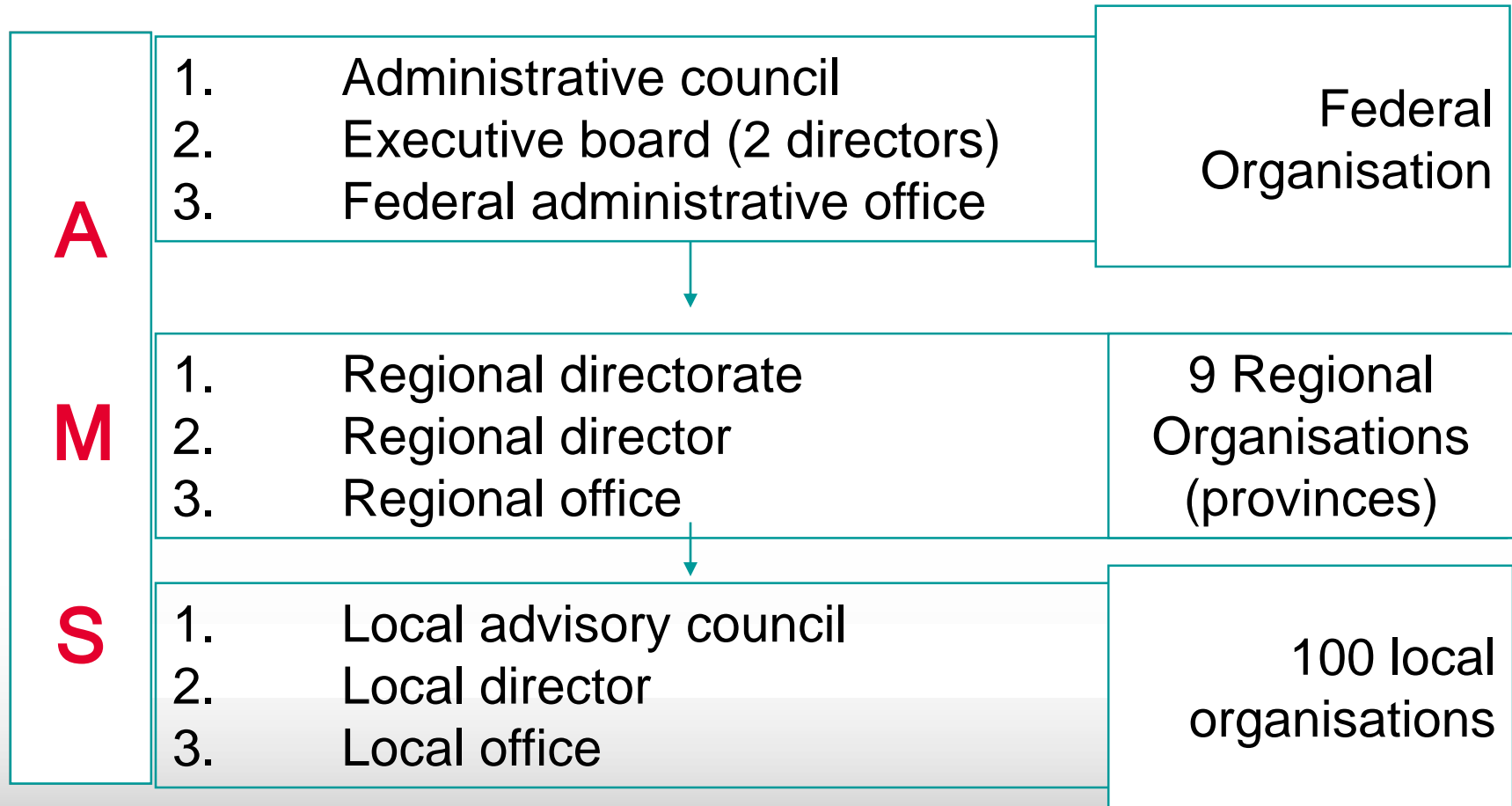
Overview

- ✓ Organization of AMS (PES)
- ✓ Labor market: facts, figures
- ✓ ALMPs – types
- ✓ Social Enterprises leasing
- ✓ Cooperation PES – municipalities: social benefits

Organisation of AMS

Federal Ministry of Labour

Federal Ministry of Finance



Federal organisation

- meet labour market policy objectives of the ministry, mediate between stakeholders
- decide the labour market policy programmes for the AMS
- define standards concerning organisation, staff, facilities, research and statistics

Regional authorities (9)

- elaborate labour market policy objectives for the respective region
- co-ordinate AMS with other institutions/stakeholders in the region
- budget planning and allocation
- set framework for the conditions of local offices

Local authorities, local offices

- implement the guidelines of the federal and regional offices
- definition of principles of local labour market policies
- work in cooperation with local stakeholders on the labour market

Figures: (2019)

- Unemployment rate: 7,4% (annual average stock)
- Employment rate: 71.6%
- AMS-expenditure on ALMPs : 1.195 billion Euros
 - Qualification/training: 56% of the budget
 - Employment promotion: 32% of the budget
 - Support measures: 12% of the budget
- 36% of all unemployed attended an active measure (training, support or employment)
- 49,5% of ALMP-budget for women, 1/3 for young people

ALMPs - types

Qualification-Vocational training

- Training in different vocational fields provided by external training providers after public tender or in cooperation with companies

Employment promotion

- Objective: to support placement of mainly disadvantaged groups like long-term unemployed or other jobseekers, to support labor mobility and to avoid unemployment

Support measures

- Provide services to supplement AMS counselling and placement activities. Reduce employment handicaps and help to assess vocational training and further training opportunities.

Social Enterprises - leasing I

- **How does it work?** participant gets an employment contract with the project and is then mediated as temporary worker to an employer.
Objective: realisation of a 'regular' work contract.
- **How many?** → several in Austria, 3 biggest projects in Vienna, each around 2.100 participants a year
- **How much?** → each 16 – 20 Million €/year (Vienna)
- **Target group?** → 50+, LTU (> 12 months), people with disabilities. Open to a larger target group in case of free capacities
- **Referral** → through an outsourced counselling organisation → 2 options:
 - ✓ 1. regular employment contract through wage subsidises
 - ✓ 2. social enterprise leasing
- The social enterprises themselves offer employment & training opportunities
 - ✓ gastronomy, carpentry, office, logistics, cleaning, gardening
- **Qualification:** 4 pillar model → during downtimes or preparatory phases
 1. Basic qualification (literacy, numeracy)
 2. Qualification measures eg. IT. Driving licence (forklifts)
 3. Health related offers
 4. relevant employment services eg. job application training

Social Enterprises - leasing II

- **Criterion for success:** 35 % that got an employment contract with the social enterprise still have an employment contract 92 days after they left the project
- **Monitoring result:** 2018: 27 % - 35 %, 2019: 33 % - 41 %
- **Funding** through PES but own internal cash flow generation obligation around 30 %
- **Average cost/participant:** € 18.000
- **Average participation duration:** 115 days
- **Drop out rate:** 0.5 %
- **Migration background:** 65 %
- **Overall results (2015 evaluation):** 1 year after participation positive labour market effect (unsubsidised employment). 2 and 3 year hardly positive effects. (as opposed to qualification measures)

Social Enterprises - conclusions

– Advantages:

- ✓ participants receive support before participation, sound selection process
- ✓ participants can benefit from training when not working for a leasing company
- ✓ 'regular' employment instead of working in a 'project'
- ✓ convenient model for employers – high degree of flexibility
- ✓ Ideally leads into subsequent sustainable (regular) employment after leasing

– Challenges:

- ✓ cost intense (infrastructure)
- ✓ selection process is challenging. It must be avoided that participants that are not job ready are pushed into: 'filling the capacities'
- ✓ leasing is often considered atypical employment → '2nd class employees'
- ✓ sustainability?

Cooperation between PES and municipalities to support recipients of minimum income scheme

- Social benefits eligibility criteria:
 - Substantial reform 2010
 - No other option to earn a living
 - No savings beyond € 4,587 (2020)
 - Willingness to work → PES registration: information on social benefits and application
 - All PES measures are available for social benefits recipients: objective to foster the employability
 - In case of rejection of a job offer or non participation of training programmes → sanctions (25 % → 50 % → 100%)
 - Regular exchange of data between PES and municipalities
 - In case of receipt of unemployment benefits lower than the minimum income, a top-up is possible (2020: € 917)

Cooperation between PES and municipalities to support recipients of minimum income scheme - Conclusions

– Advantages:

- Data exchange works fine
- New one-stop-shops for jobseekers < 25 (youth) has opened recently
- Regular meetings of steering groups (PES – municipalities) at regional and local level organised
- PES financed outsourced counselling institution exclusively for social benefits recipients
- Vienna implemented 3 social economic enterprises together with the municipality of Vienne mainly for social benefits recipients

– Challenges:

- Exchange of data ≠ close cooperation/holistic service offer
- Every region in Austria applies own rules