



# PUBLIC EMPLOYMENT SERVICES IN CENTRAL AMERICA AND THE DOMINICAN REPUBLIC

***RIAL WORKSHOP ON PUBLIC EMPLOYMENT SERVICES***

December 10, 2008, Panama

***Leonardo Ferreira, ILO, San José***

# **MANDATES TO DEVELOP PUBLIC EMPLOYMENT SERVICES**

- **Hemispheric agenda on decent work 2006-2015 (the ILO's XVI ARM, 2006)**
  - **Building and enhancing the capacity and quality of employment services**
- **Declaration and plan of action of Tegucigalpa (2005)**
  - **Modernization, integration, and decentralization of employment services**
- **ILO Conventions 122 (Employment Policy) and 88 (Employment Services)**

# **STUDY ON THE SITUATION OF PUBLIC EMPLOYMENT SERVICES IN CENTRAL AMERICA AND THE DOMINICAN REPUBLIC**

- **Programme for Occupational Training and Work Placement (FOIL/AECID)**
  - Regional activities: ILO-CECC-FOIL Convention
  - Interviews and surveys of public employment services in Central America, Panama, and the Dominican Republic: November-December 2007
  - Presentation of a snapshot of realities found in late 2007, and a roadmap for consolidating achievements and undertaking new tasks that facilitate the development of modern and updated public employment services that address the needs of users and governments in planning decent work promotion and improvement policies.

## **ASPECTS ANALYZED (Comparison parameters):**

- 1. STRUCTURAL PUBLIC EMPLOYMENT SERVICE MODEL**
- 2. FUNCTIONAL PUBLIC EMPLOYMENT SERVICE MODEL**
- 3. EXISTING RESOURCES**
- 4. EMPLOYMENT MANAGEMENT SOFTWARE**
- 5. OCCUPATIONAL CLASSIFICATIONS USED**
- 6. EMPLOYMENT COUNSELING**
- 7. GENDER MAINSTREAMING**
- 8. SERVICE FOR PERSONS WITH DISABILITIES**
- 9. SERVICE FOR VULNERABLE GROUPS**

<b>OVERALL RATING OF THE PARAMETERS, BY COUNTRY</b>	Costa Rica	Dominican Republic	El Salvador	Guatemala	Honduras	Nicaragua	Panama
<b>Structural public employment service (PES) model (x2)</b>	<b>(7) 14</b>	<b>(3) 6</b>	<b>(9) 18</b>	<b>(2) 4</b>	<b>(4) 8</b>	<b>(4) 8</b>	<b>(5) 10</b>
Functional PES model	9.5	11	11.5	7	15	9	13
Existing resources	7.5	5.5	8.5	4	8	6	7
Employment management software	5	6	7	1.5	5	7.5	5.5
Occupational classifications	8	3.5	4	5	8	2	9
Employment counseling	5.5	5.5	2	4	7	3	8
Gender mainstreaming	5	4	6	1	3.5	6.5	5.5
Service for persons with disabilities	4	1	8	1	8	2	8
<b>TOTAL</b>	<b>58.5</b>	<b>42.5</b>	<b>65.0</b>	<b>29.5</b>	<b>62.5</b>	<b>44.0</b>	<b>66.0</b>

<b>STRUCTURAL PES MODEL, BYCOUNTRY</b>	<b>Costa Rica</b>	<b>Dominican Republic</b>	<b>El Salvador</b>	<b>Guatemala</b>	<b>Honduras</b>	<b>Nicaragua</b>	<b>Panama</b>
<b>a. Model defined (1)</b>	1	0	1	0	0	1	1
<b>b. Includes territorial organization (1)</b>	1	0	1	0	1	1	1
<b>c. Published and disseminated (1)</b>	1	0	1	0	0	0	1
<b>d. Deconcentration and decentralization (6)</b> i. Full (6) ii. High (5) iii. Semi (4) iv. Insufficient, but with adequate employment representation (3) v. Insufficient, with representation only (2) vi. None (1)	3	3	5	2	3	2	2
<b>e. Legislation (1)</b>	1	0	1	0	0	0	0
<b>TOTAL (10)</b>	<b>7</b>	<b>3</b>	<b>9</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>5</b>

# Territorial Organization

Employment offices and employment representations	Deconcentrated employment offices	Decentralized employment offices	Deconcentrated representations	Decentralized representations	TOTAL Employment offices	TOTAL Representations
<b>COSTA RICA</b>	2 (Min. and INA)	<b>4 (Min.)</b>	6 (INA)	7 (Min.)	6	13
DOMINICAN REPUBLIC	3	0	4	0	3	4
<b>EL SALVADOR</b>	<b>7</b>	0	<b>1</b>	<b>23</b>	7	24
GUATEMALA	2	0	14	0	2	14
HONDURAS	3	0	3	0	3	3
NICARAGUA	2	0	0	0	2	0
PANAMA	3	0	8	0	3	8
<b>TOTALS</b>	<b>22</b>	<b>4</b>	<b>36</b>	<b>30</b>	<b>26</b>	<b>66</b>

## Structural Models and Deconcentration and Decentralization Processes

- **Four coexisting basic models:**

1. Centralized models where deconcentration is under way

*Dominican Republic, Guatemala, and Honduras*

*The main challenge is to obtain the budgetary resources needed for deconcentration of the service with own means.*

2. Decentralized models through public agencies

*Costa Rica, Nicaragua, and Panama*

*Typically include a mixed process of deconcentration and decentralization of employment offices which, with guidance from the Ministry or Secretariat of Labor, enter into cooperation agreements in order to approach the general public, benefiting from resources of other public entities.*

3. Decentralized models through public agencies and private non-profit organizations

*This is the model implemented in El Salvador.*

*In addition to intervention by public entities, it involves co-participation by private entities, and makes possible more certain access to all areas of the country, profiting from synergies of existing resources in different territorial areas. However, considerably more management and coordination is required when so many entities are involved.*

4. Decentralized models through public entities and private for-profit organizations

*This arrangement has not been implemented in any country in the region.*



## **SHARED WEAKNESSES:**

- 1. Insufficient presence of public employment services at the territorial level, although expansion is clearly under way.**
- 2. Ministries of Labor, especially their employment areas, lack the budgetary resources needed to address the challenges of modernizing labor administrations and providing employment and job placement services.**
- 3. Insufficient information on labor supply and demand and the linkage between them, hindering active employment policy planning.**
- 4. Lack of linkage between the PES and professional training institutions that would enable unemployed workers to be provided with means.**
- 5. Policy does not sufficiently envisage how to address the need to commit to strengthen PES or to generate active and coordinated policies for linkage of labor supply with demand.**

## SHARED STRENGTHS:

1. **SPE deconcentration and decentralization processes have been launched, enabling more job seekers and job providers to be served.**
2. **A wide array of good practices has been developed in all countries. These may be transferred and shared to facilitate further development by PES of:**
  - a. *Structural and functional PES models.*
  - b. *Employment management software.*
  - c. *Labor market observatory implementation.*
  - d. *Services without discrimination based on gender, disability, or financial hardship.*
  - e. *National occupational classifications.*
  - f. *Actions to enhance user employability.*
3. **A body of strategic theory and methodology has been developed to address unemployment and improve tools for employment management and promotion.**

## **SHARED THREATS:**

- 1. Lack of institutional continuity, stemming from political changes that jeopardize progress being made. Lack of professionalization and/or an administrative career service lead to ongoing losses of know-how and paralyze management processes.**
- 2. Disagreement or lack of coordination among agencies in addressing existing labor market imbalances. Lacunae between the employment, training, and education systems lead to considerable waste of resources of all kinds and make it difficult to obtain better results in social integration and job placement processes.**

## SHARED OPPORTUNITIES:

1. Existing regional spaces and forums, such as the Foro de Directoras y Directores de Empleo [Employment Service Directors Forum], where valuable initiatives and results can be shared, transferred, and developed to improve PES and harmonize lines of development.
2. Convergence of many international cooperation initiatives (AECI, IDB, GTZ, ILO, etc.), with resource allocations for employment and training that can facilitate the integration of efforts to obtain desired outcomes in strengthening and developing PES.
3. Development and implementation of different initiatives for linkage of different national and international players so as to benefit from existing synergies and obtain return on existing resources, in pursuance of the pre-established goals of the different PES.