



RIAL WORKSHOP ON PUBLIC EMPLOYMENT SERVICES

Activity of the Inter-American Network for Labor Administration (RIAL)

December 10 and 11, 2008 - Panama City, Panama

CONCLUSIONS AND NEXT STEPS

Description

This Workshop is part of the IACML Calendar of Activities for 2008-2009, and was jointly organized by the Ministry of Labor and Labor Development of Panama and the Organization of American States (OAS), in partnership with the Ministry of Labor, Employment and Social Security of Argentina and the World Association of Public Employment Services (WAPES). It was partially funded by the Government of Canada, through the contribution it has provided to the RIAL.

The Workshop had the following specific objectives:

1. Exchange and analyze experiences on strategies to link Public Employment Services (PES) with the productive environment, as a condition for guaranteeing quality services.
2. Analyze the articulation of PES with workforce development (training) systems and with labor market information systems, including Observatories.
3. Identify and recognize good practices with respect to linkages between PES and comprehensive systems that address the needs of persons facing greater barriers in entering the labor market.

Ministries of Labor from 25 countries were represented at the workshop, through their employment directors or officers with responsibilities on PES. Members of COSATE and CEATAL, as well as representatives from ILO, WAPES and OAS also participated in the event.

The workshop was divided into three thematic panels, each of them moderated by one of the organizers. At the end of the event, the moderators presented the conclusions for their panels, which received comments from participants and are contained in this document. Additionally, and taking into account the discussions that took place during the workshop, the OAS proposes the next steps that are specified at the end of this document.

Conclusions presented by the moderators:

Panel 1 - PES and Local Development: linkages with the productive environment to ensure access to quality and productive employment

- Employment services play a central role in the operations of labor markets and, today, they face major challenges, given they must respond to a more complex and dynamic productive environment. Given this situation, the region's countries have allocated significant efforts and resources to strengthening their employment services.
- Public employment services (PES) have expanded their services, supplementing their classical intermediation functions with personalized professional guidance and support, the

definition of career paths or professional plans, referrals to job training, and providing information on other services available to job seekers and companies. The decentralization of PES facilitates the expansion and strengthening of those services, assures them greater relevance, and guarantees them greater coverage and the ability to attend to the entire population.

- The region's PES are evolving toward decentralized models with a greater impact at the local level (through local employment offices and other similar facilities). Under this new model, PES are interconnected with local development strategies and can become essential players in those efforts.
- Some key features of decentralization schemes were noted: the existence of a guiding legal framework that clearly defines the responsibilities of the central level and its relations with local offices; the need for trained officials at the local level; the inclusion of internet-based networked communications; and linkages with professional training institutes.
- Job fairs continue to assert themselves as one of the major tools of PES, and they are evolving from being mere meeting places for job seekers and companies to become forums where various local actors can come together and where a range of services are offered to those seeking employment. Note was made of the importance of follow-up procedures and of obtaining information on job placements and the quality of those jobs.
- Progress is being made in the services offered to employers in candidate preselection, the preparation of training plans based on companies' demands, and information and referrals to other assistance programs. The panel recognized the need to consolidate efficient services that inspire confidence and trust among both the private sector and job seekers.
- The following were identified among the challenges currently facing employment services: Achieving better interinstitutional coordination and interconnections; obtaining reliable, up-to-date information on the job market, to enable proactive actions to be taken; earning greater trust from users – employers and job seekers alike; improving service quality and continuing to work to monitor those quality levels (devising indicators, etc); ensuring greater cooperation between public and private players; and working for the sustainability of PES.
- It was also recognized that the participation of workers and employers at PES decision level, as well as in its operation, is key to guarantee more pertinence in the actions undertaken and better impact.

PANEL 2 – Articulation of PES with workforce development (training) systems and information systems

- PES operational and implementation capacity makes them a key instrumental factor for effective delivery of Employment policy objectives. Employment policy is more and more integrated with an overall social and economic development policy, with linkages to other policy domains. There's a growing awareness among governments that an integrated policy approach is a precondition to be able to deliver results. As Employment policy programs need to be flanked by supporting measures on other policy fields, it is equally important that

employment services take up a collaboration or facilitating role towards other policy executing instances.

- PES mission acknowledges a balance between the social and economic development objectives and should therefore aim at contributing to a well functioning labor market by: a) providing equal opportunities; b) offering universal services (for every citizen), c) coordinating the different public (and also private) actors that implement policies and programs on the labor market, d) increasing the transparency of the labor market and, therefore, e) collecting information on the functioning of the labor market in order to advise policy makers.
- From the presentations from Chile (SENCE) and the Bahamas (The Public Employment Exchange of the Bahamas) and reactions from other countries during this panel discussions we can derive a number of conditions that seem to be essential in developing effective PES that really suit the labor market needs, regardless of the development status of a country. They are presented below.
- There's a necessity to develop a PES service delivery network (regardless of how they are organized institutionally) that is easily accessible to every citizen and delivers these services where they are most needed and, thus, are most effective. In this regard, a network of accessible employment offices is needed, which can be complemented by alternative ways of delivering information: work portal sites and access to services and information via telephone (call centres).
- PES need to deliver basic services to jobseekers and employers. These services for jobseekers include information on job opportunities, individual case management for jobseekers comprising an evaluation of job insertion possibilities, employability enhancing measures like professional orientation, active job search support, referral to vocation trainings, apprenticeship opportunities, evaluation.
- PES benefit from the establishment of a network or overall framework that defines the relations among all involved players/actors and decision makers. This framework demands well established interaction processes, trust between the different parties, and clear concertation processes among the different ministerial departments and the different policy fields: education, industry, training, life long learning, employment policies.
- All stakeholder institutions, including PES, training institutions and information systems, need to speak a common language in order to interact effectively. That could be the language of competences, as the key elements that define the chances of an individual to enter the labor market or the possibilities of an employer to develop its work creating capacity. Labor market players and operators, such as the professional and vocational training systems, need to speak this common language in order to create bridges in an integrated delivery service model.
- It is crucial to have linkages between PES and workforce development (vocational and professional training & also education) systems and Labor Market Information Systems (LMIS) because that allows for an organized and coordinated delivery of all services available to jobseekers.
- Improving people's employability requires close interaction and coordination of all public services to individual jobseekers, including income replacement, information, counseling and

brokerage, as well as the application of special adjustment measures such as facilities for vocational (re-)training. PES should play a leading role in coordinating the delivery of all public labor market services because they are well placed and well equipped to interconnect them.

- In Member States with poorly integrated employment services, such coordinated delivery of all public labor market services may demand a redesign of existing case management procedures. The creation of one-stop shops at local level for all public services is an important issue in this respect. In Member States where institutional integration is more fully developed, increasing coordination problems may have to be solved, between for example the PES and municipal authorities.
- The PES should review their relations with other actors in the market, such as workforce development and labor market information systems, and exploit possible synergy. This entails: (a) building networks with regional/local authorities which have become more involved in employment policy for social as well as economic reasons and which are responsible for important policy instruments (social assistance schemes, educational and training facilities, welfare schemes and so on). Successful cooperation may require more decision making powers for local PES offices; (b) cooperation with the social partners, who are increasingly developing new and varied employment programs on a bi-partite basis, and (c) cooperation with particular sectors within the various branches of the economy.

PANEL 3 - Public Employment Services' approach to addressing vulnerable groups or persons with greater barriers to employment

- The panel noted that the technical discussion of employment services cannot take place in isolation from political analysis. It recognized that the design and implementation of employment programs and the impact that public employment services can have depend on the model for growth and development within which they are deployed. A model for growth with employment, one that places the individual at the center of economic and social policies and that pursues social inclusion, sets a more solid foundation for creating more and better jobs.
- Ties between PES and the political environment are a two-way street: on the one hand, the growth model has an impact on the operations of PES and the results they can achieve; on the other, PES contribute to economic and social development, by bringing about increased efficiency and transparency in the labor market.
- The services they provide to the most vulnerable groups or to those who face the harshest barriers to entry into the labor market, were recognized as one of the main challenges facing PES. Attending to those segments of the population requires fighting discrimination, as well as identifying and understanding the obstacles they face. These barriers to access can include cultural factors, legal restrictions, and even simple considerations of viability. They must be clearly identified in order to design effective policy options.
- The groups that face the greatest difficulties in entering the labor market are very diverse, and they are determined by the socioeconomic realities of each of our countries, as reflected in their job markets. In general, these groups include ethnic minorities, Afro-descendants, groups in the lowest income brackets, people with disabilities, migrants, and young people. In

the region there are two groups who are receiving priority attention from employment services: young people (particularly those who have not yet finished their formal education, and those from the lowest-income segments), and people with disabilities.

- It can be seen that the programs targeting young people focus on training and professional orientation. In this regard, mention was made of the recent RIAL Seminar on Youth Employment (May 2008), which conducted an extensive review of the topic.
- The attention for persons with disabilities provided by public employment services must combine actions in the fields of health, education, and employment, and it must provide for referrals to health and rehabilitation services.
- The panel acknowledged that decentralized PES allow the most vulnerable populations to be reached more easily and enable their particular needs to be better addressed.
- Mention was made of the following successful elements in the attention provided by PES to those population segments facing the steepest obstacles to labor-market insertion: establishing priority groups for policies on professional training and public employment services; providing technical or professional training and 'social skills' training (or the development of soft skills); strengthening professional orientation by involving specialized psychologists and mentors; forging alliances with the media for publicity and outreach; and establishing partnerships with civil society players who work with those sectors, such as neighborhood organizations, NGOs, and churches, among other.
- Concern was expressed about the role of private intermediation and placement agencies, and about their regulation and oversight. A question was asked about what form relations between PES and these agencies should take, and it was also noted that punitive action has limited impact. Consensus seemed to emerge that cooperative relations should be established between public employment services and the private agencies, wherein both sides would benefit and would mutually support the other's actions.
- Emphasis was placed on the need for integrated, intersectoral actions, involving efforts in the areas of intermediation, placements, professional training, professional orientation, and unemployment insurance (in those countries where it exists). Those endeavors must also be combined with other policies to attend these population groups, in an effort to build bridges between social development programs and labor programs. The panel stressed that PES and employment policies in general must have a system-wide perspective, instead of focusing on isolated programs or initiatives.
- In analyzing how PES are reaching the sectors with the greatest barriers to enter the labor market, the question arises as to how they are interconnected with social protection systems which, within the scheme of the public administration, have the function of attending to the poorest and most vulnerable population groups. Relations between public employment services and social protection systems are still very embryonic and they depend on the development not only of PES but also of the protection systems. Progress can be seen in those countries that have conditional money-transfer programs, such as Brazil's *Bolsa Família* or Peru's *Programa Juntos*, which is linked in with the *Construyendo Perú* program for training and the construction of productive economic infrastructure.

- Emphasis was placed on the importance of constructing networks to allow the use of existing mechanisms and their strengthening through coordinated, systematic action. Particular mention was made of Professional Training Networks and Employment Service Networks.
- Several challenges were identified, for exploration at future exchanges: how to achieve better interconnections between employment strategies and social programs; how to reach rural populations; what form should relations between public employment services and private intermediation agencies take; how to strengthen PES monitoring systems.

Next Steps:

- 1) Analyze holding a joint meeting of Ministries of Labor and Ministries of Social Development to study ties between public employment services and social protection systems, in pursuit of the mandates of the OAS Meeting of Ministers of Social Development. This topic should be studied under the aegis of the XVI IACML, to be held in Argentina in 2009.
- 2) Invite the workshop participants to the forthcoming RIAL Workshop on Labor Migration (Quebec City, February 24 and 25, 2009), which is to study the issue of labor market information systems.
- 3) Continue with bilateral exchanges, using the cooperative mechanisms that exist among the region's Ministries of Labor, particularly the RIAL Cooperation Fund, which is to issue its third call for proposals in January 2009.
- 4) Include the initiatives presented at this Workshop in the RIAL Portfolio of Programs.
- 5) Continue with interinstitutional collaboration between the OAS and the WAPES.