

EUROPEAN NETWORK OF HEADS OF PUBLIC EMPLOYMENT SERVICES

THE CONTRIBUTION OF THE PUBLIC EMPLOYMENT SERVICES
TO FLEXICURITY

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Public Employment Services
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THE CONTRIBUTION OF PUBLIC EMPLOYMENT SERVICES TO FLEXICURITY

The operational framework of Public Employment Services and the flexicurity approach

1. 'Public Employment Services have a specific mission in the labour market: they deliver services free of charge to jobseekers (both unemployed and job-changers) and to employers, which aim to bring together jobseekers and vacancies, and also contribute to improved transparency in the labour market. They play this specific role together with other actors.'

This reference framework set out in our European Public Employment Services Mission Statement, adopted in Lahti, Finland, in December 2006, is applied in all EEA/EU countries. It is interpreted in the light of distinctive national features, institutions, and diverse traditions on the basis of the following common principles: size of network, spatial coverage, proximity, accessibility for all jobseekers through branches providing services, the Internet or via telephone platforms.

2. The Public Employment Services' ability to match employment supply and demand, and to find rapid, flexible and effective solutions for jobseekers and employers looking for staff, gives them a strong role to play in the implementation of flexicurity. By providing support and delivering services, our Public Employment Services also actively contribute to the implementation of the common principles of flexicurity¹. Our operations therefore focus on organising and assisting successful labour market transitions, and our services help to ensure a balance between flexibility and fluidity of employment on the one hand and security during job changes and career development moves likely to occur during the life cycle on the other.

3. We wish to express the common will of the Public Employment Services to partake in the debate initiated during this period, both at European and national levels, among public authorities, social partners, and other stakeholders in the labour market, to whom this draft opinion is addressed. This commitment has been formulated to respond to the major challenges associated with the dynamics of European labour markets. It reflects our objectives and our expertise, is backed by the wide range of services we offer to beneficiaries on the labour market and those seeking to enter the labour market, and conveys our desire to improve our performance.

In our role as public employment services we also intend to raise the profile of the increasing role we play for users and customers of our services, bringing this to the attention of partners with whom we have developed strong relations, namely local authorities, non-governmental organisations, private employment services, and training organisations.

¹ European Commission Communication "Towards common principles of flexicurity: More and better jobs through flexibility and security"», COM (2007)359 final, 27.6.2007 and "Towards common principles of flexicurity – Council conclusions" document 16201/07, SOC 523, ECOFIN 503 of 6th of December 2007

4. The ways in which the flexicurity pathways are implemented differ depending on the individual situations, based on combinations of the four components of flexicurity²: Flexible and reliable contractual arrangements from the perspective of employers, employees, insiders and outsiders; comprehensive life-long learning strategies; effective active labour market policies to deal with unemployment and inactivity and provide appropriate support to ease transitions to new jobs; and modern social security systems to provide adequate income support and to encourage both a return to work and labour market mobility.

Public Employment Service Activities Promote Flexicurity

5. Active labour market policies involve measures designed to support transitions into and within the labour market. Such policies can consist of assistance and subsidies aimed at promoting employment, training, recruitment, entrepreneurship and self-employment, and geographical and professional mobility. The contribution made by Public Employment Services in this area of active labour market policy is crucial. Specific interventions in this field include job search support, career analyses, validation of experience, vocational rehabilitation, activation, motivation of jobseekers, accompanying workers wishing to change jobs, promotion of information on the labour market, recruitment support for employers, and a focus on priority groups with the greatest difficulties entering employment.

6. But other components of flexicurity will also have an impact on the services delivery of the Public Employment Services. Changes in contractual provisions may influence the job opportunities in the labour market. This concerns the number and nature of job vacancies, the flow thereof, and worker mobility, which employment services manage, support or fill. Lifelong learning strategies and modern social protection systems provide Public Employment Services with an impetus to perform new tasks: career advice support, advice on training to prepare people to return to work; bringing together the bodies responsible for placement and social security agencies reinforcing approaches for balancing the rights and responsibilities of individuals and bodies that support jobseekers; an integrated approach to social and professional inclusion for particularly excluded groups who need to be returned to employment.

7. The key competencies developed by the Public Employment Services shape their role as promoters of flexicurity: development of labour market transparency, early, customised intervention, and rapid action with regard to jobseekers, responsiveness and appropriateness of services offered to employers, focus on quality and customer orientation, tailor-made services, modernising organisations, the ability to guide activity by mobilising a large number of partnerships

² See footnote 1

8. These key skills are exercised through a number of specific activities, in particular:

- *8.1 Supporting jobseekers and the system for following-up job applicants.* Public Employment Services focus their attention on a number of priority steps in particular: registration, career analysis segmentation, profiling or assessment of services needs activities, the first months of unemployment and in some cases the months that precede unemployment. The period of increasing and customising support is of utmost importance, in particular at the point when the long-term unemployment stage is reached as well as for jobseekers with poor employment prospects. Public Employment Services organise information on job opportunities, assist with job searches, career advice, access to training, access to specific support programmes and career development support via services that are increasingly adapted to the needs of the individuals and frequently customised. Accordingly, interventions are greater and more focused for those in greatest difficulty re-entering the labour market. People with better employment prospects are generally offered support on a 'self-service' basis. This is intended to bring about a rapid and permanent return to work
- *8.2 Supporting mobility between jobs* means assisting those who have to change their job, and also those affected by company restructuring and collective redundancies. One objective in such cases is to reduce the length of time between old and new jobs. Specific restructuring support measures and retraining campaigns can be carried out by organising career assessments, providing training, setting up job mobility agencies³ and organising appropriate meetings and programmes in job-rich areas and for the relevant sectors. Job transition support is also more effective when changes are anticipated, i.e., when action is taken before workers leave their job.
- *8.3 Developing systems for activation and keeping track of jobseekers' rights and responsibilities in a balanced way.* close cooperation, or bringing together placement bodies and social security agencies can assist in this. The disbursement of unemployment benefit and more generally of replacement income in the event of job loss or the disbursement of a guaranteed minimum income for people with very poor employment prospects is increasingly made dependent on a sustained search for employment or participation in training courses or active employment measures. This encouragement and the greater emphasis on responsibilities depend on the quality of services and programmes offered and a reasonable level of replacement income
- *8.4 Offering services to employers.* Acting as a mediator and ensuring a balance between the service provided to companies and assisting jobseekers to return to work is an important role, which helps to realise successful transitions. The activities carried out by Public Employment Services include: searching for job opportunities; services to employers based on appropriate ongoing and anticipated knowledge of their needs; the ability to meet companies' expectations, which frequently do not reflect the skills immediately available in the labour force assistance with recruitment, including innovative procedures making it possible to change recruits' profiles in relation to the employer's original wishes. The overall aim is to provide workers to fill vacant posts and rapidly meet recruitment needs. In certain cases the Public Employment Services advise employers on training development, and management of their labour force, for employees already in place.

³ Organisations employing on a transitory basis persons who are changing job, between the moment of job loss and their re-employment by their future employer

- *8.5 Offering appropriate "tailor-made" services for groups affected by different types of transitions into employment or involved in career processes at particular stages in their active lives: young people entering the labour market; people who have lost their jobs; people who are repeatedly unemployed; people resuming work after a career break; lone parents, older workers; disabled people and people with poor employment prospects; social security recipients and the low-skilled.*
- *8.6 Offering services supporting and encouraging geographical and professional mobility among workers.* The European Employment System (EURES) network mobilises solid support systems: it provides information on job vacancies in the European labour market, mobility support for candidates, and recruitment support for companies in other countries, and cooperation in cross-border areas. These systems allow workers and job seekers to partake in learning mobility initiatives based on gaining job experience at European level that helps provide both the formal and informal skills demanded in the labour market. They also help to resolve certain imbalances in terms of employers' recruitment needs and to respond to labour shortages or tensions in the labour market. In the context of flexicurity geographical mobility is expected to become a natural part of any professional mobility path.

9. To organise and support the management of successful transitions, Public Employment Services operate as locally as possible, maintaining partnerships with appropriate bodies in the institutional framework of each country that are essential to provide a co-ordinated response. They aim to ensure effectiveness and meet operational deadlines: anticipation, responsiveness, speed, foresight. Their contribution to the flexicurity approach also means that they are constantly striving to improve their institutional and professional capabilities: quality of service, competence of staff, information systems and technologies, management systems, and modernisation processes.

Applying the common principles of flexicurity reinforces the role of the Public Employment Services

10. The prospect of applying the common principles of flexicurity combined with economic trends, demographic forecasts, innovative production processes, demand for new labour resources, changes in the labour market and the greater tendency for jobs to change in nature, the promotion of equal opportunities and diversity, will increase the role of Public Employment Services and stimulate the development of new activities. Increasing attention will be given to organising careers and transitions for companies and workers with other partner organisations on the job market and the need to anticipate future jobs and skill requirements.

11. The ability to develop a quantitative and qualitative knowledge of labour requirements is becoming increasingly important. In addition to supplying information about job vacancies in the short term and supporting the development of labour market transparency, for which they have traditionally been responsible, Public Employment Services will contribute to the identification of new sources of employment and needs related to worker's skills, to be able to support the forward planning of jobs and skills on labour markets and also directly within companies. It is also a matter of anticipating and supporting the exploration of needs for new skills. This investigation implies greater partnership with social partners, employment organisations and education system representatives.

12. Labour markets are becoming ever more complex, with a mixture of labour shortages, job shortages, low employment rates for some groups, and high or low unemployment rates in different employment areas. This leads to increasing mobility and job change opportunities, which the Public Employment Services help to facilitate. Specific actions aimed at resolving the imbalances in the labour market include the preparation of new groups to help them to enter the labour market and apply for jobs, the development of on-the-job adaptation and monitoring programmes, and support for employers to help them to better identify posts they would like to fill.

13. The ability of Public Employment Services to act as a professional contact point for employers, not only to fill job vacancies, but also (in a number of countries) to help them manage their human resources internally is also an opportunity in this context. This is based on the standard service to place workers in vacancies notified by companies; recruitment activities devised to meet requirements for temporary, seasonal or specialist staff; the ability to support companies to ensure complementarity of external and internal markets (external recruitment for first entry-level jobs and, in a number of countries, helping companies promote internal mobility and career development of existing employees).

14. Labour shortages in certain sectors or employment areas, demographic problems associated with the decline in the active population and the need to increase the effectiveness of social assistance systems make it necessary to help people with the poorest employment prospects to return to work, and to draw on inactive labour resources. Particularly affected are low-skilled workers, groups receiving the minimum social-welfare income, older people experiencing difficulty in finding employment, ethnic minorities and disabled workers. Effective intervention of Public Employment Services will contribute to an increase in labour supply, reducing social exclusion of some groups of the active population while assisting them to integrate in the labour market.

This requires new ways of contacting target groups, appropriate support methods, specific incentive programmes to help target groups to accept the return-to-work programmes and qualification- and competence-raising facilities. Partnerships with bodies that have a very good knowledge of these target groups, such as non-governmental organisations, and local authorities can all provide these people with support and help them to understand the benefits of social and professional integration. This range of specialised, complementary, related services is a key to the effective monitoring of return-to-work programmes. Our capability to mobilise a network of partners can be used to assist in these activities.

CONCLUSION

15. In line with our 2006 Mission Statement we reaffirm our position as key labour market players directly involved in the implementation of the guidelines of the European Employment Strategy. We have aimed to describe, in greater detail, how our activities can support the balanced implementation of flexicurity. We emphasise that the rationale of the flexicurity approach is the need to meet the objectives of the Lisbon Strategy, which is destined to grow stronger within the framework of the new cycle of the Lisbon Strategy for growth and jobs. This demands that we strengthen our role and will lead us to develop and adapt our services, in conjunction with others.

We are ready to meet these challenges. We wish to examine the achievements and results of our contributions to the various components of flexicurity and to the different pathways to flexicurity which are developed in European countries. This examination will be carried out within the framework of a working group for which a timetable and work programme will be agreed upon. We will explore the possibilities of follow-up and of assessment of the mechanisms put in place. Through this evaluation of our wide range of activities, combined with our expertise, we wish to further contribute to the continuing value of successful approaches to labour market transition management that have been set up in European countries applying the principles of flexicurity and which are likely to influence future labour market policies.