## Training and Integration Contract (PFI)

**Belgium**

This practice is part of the Walloon Government’s effort to support the placement of jobseekers in enterprises. It also supports employers offering jobs that demand specific training to acquire a suitably qualified workforce. In 2008, the scheme was adapted to specifically support training and integration opportunities for young low qualified jobseekers. PFIs have a high rate of integration into employment: in 2009, out of 6,683 people monitored, 94% were integrated within 6 months, 95% within 12 months and 97% within 18 months. No differences can be observed between sex and age, and only slightly between education levels.

<table>
<thead>
<tr>
<th><strong>Name of the PES</strong></th>
<th>Le FOREM</th>
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<tbody>
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<td><strong>When was the practice implemented?</strong></td>
<td>1998 – on-going</td>
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<td><strong>Which organisation was involved in its implementation?</strong></td>
<td>Enterprises signing contracts with Le FOREM to train, and later employ, the jobseeker.</td>
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| **Which social groups were targeted by the practice?** | ▶ Registered jobseekers  
▶ All unemployed  
▶ People seeking training  
▶ All employers |
| **What were the practice’s main objectives?** | The PFI consists of an individual training course for jobseekers at an enterprise. The scheme allows an enterprise to train a jobseeker for a new job before offering her/him an employment contract. During the training period (between 4 and 26 weeks), the employers’ payroll costs are significantly reduced. |
| **What activities were carried out?** | The employer, jobseeker and Le FOREM (Walloon PES) sign a training and integration contract lasting between 4 and 26 weeks. This must contain a trial period equal to one third of the term of the training provided. It is equal to at least 2 weeks and cannot exceed 8 weeks. During the probation period, either party may terminate the training and integration contract. The employer is obliged to employ the trainee directly after the training period under an employment contract applicable to the occupation learned and for at least the same duration as the training and integration contract. Since 2007, the training duration can be extended to a maximum of 52 weeks for jobseekers under 25 and with a qualification level no higher than level 2 (ISCED classification). During the PFI period, the trainee remains a jobseeker and continues to receive unemployment benefits. The employer pays the trainee an incentive based on the difference between the taxable wages for the occupation held and the current income of the trainee. |
| **What resources and other relevant organisational aspects were involved?** | Le FOREM implements the practice at its head office and its 11 sub-regional offices. Management staff normally comprises one chief PFI adviser and one chief human resources adviser per region. |
| **Source(s) of funding** | National budget (tax revenue)  
Regional budget (tax revenue)  
Private source: financial incentives paid by employers |
### What were the outputs of the practice: people reached and products?

**People reached:**
Between 1998 and 2011, the number of PFIs increased by 53%, (4 098 PFIs in 1998 to 8 460 PFIs in 2011) constantly rising until 2007 (11 231 PFIs), but since 2008 the number has dropped each year. In 2008 and 2009, it was expected that 11 500 PFIs would be carried out, but in 2008 only 10 662 PFIs were signed (95% of the target) and in 2009, 9 265 PFIs were signed (81%).

In 2010 and 2011, the objective was reduced to 10 500; in 2010, 87% of the target was achieved (9 180 PFIs); and in 2011, 80% of the target was achieved (8 460 PFIs).

In 2011, young people under 25 constituted 52% of the trainees, and 90% of all trainees are under 40. Jobseekers with more than 2 years of unemployment are underrepresented with only 15% of trainees against 40% of job seekers.

**Products:**
Not applicable

### What outcomes have been identified?
PFIs have a high rate of integration into employment: in 2009, out of 6 683 people monitored, 94% were integrated within 6 months, 95% within 12 months and 97% within 18 months.

- Young trainees show a completion rate 10% below that of other trainees.
- For the 17% of young people who obtain an extension of 26 weeks, the completion rate drops. Extension of the contract by 26 weeks increases the probability of running into difficulties or conflicts. Moreover, these trainees seem to suffer from a loss of motivation due to their status as job seekers and the social and financial consequences of this.
- PFIs have a high rate of integration into employment: in 2009, out of 6 683 people monitored, 94% were integrated within 6 months, 95% within 12 months and 97% within 18 months. No differences can be observed between sexes or among age groups. As regards educational level, the difference is also limited: 90% for level 1 (primary education) and 95% for level 3.

### More information on the practice

### Contact details for further information
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