

European Network of Public Employment Services

PES Network Stakeholder Conference

'Rethinking support for those furthest from the labour market'

5 November 2024





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Introduction

This paper presents an overview of the key themes discussed in the **2024 PES Network Stakeholder Conference** on 'Rethinking support for those furthest from the labour market'. The conference showcased new and effective approaches for (re-)integrating jobseekers furthest from the labour market, driven by **Public Employment Services (PES)**, with social partners, private employment services (**PrES**) and employers, non-governmental organisations (**NGOs**), training providers, international organisations and **EU** agencies.

Background

The triple (green, digital and demographic) transition is accelerating skills and labour shortages. While employment rates exceeded 75% in 2023¹, groups such as persons with disabilities, young people, women with caring responsibilities, and older jobseekers remain underrepresented in the labour market. Addressing these disparities is vital, especially with a projected drop in the working-age population from 265 million in 2022 to 258 million by 2030². Leveraging untapped potential and fostering transitions across sectors is essential, including to reach the common EU headline target of at least 78% of the population aged 20 to 64 in employment by 2030 according to the European Pillar of Social Rights Action Plan.

In his scene-setting presentation, Márton Csillag, senior researcher at the Budapest Institute for Policy Analysis, pointed out that some groups encounter additional challenges when integrating into the labour market. In the EU, the employment rate of women remains 10.3³ percentage points (pp) below that of men and shows significant variations between Member States. Unpaid care responsibilities keep an estimated 7.7 million women in the EU from joining the labour market⁴. The disability employment gap stood at 21.5% in 2023⁵. More than 1 in 10 young people aged 15 to 29 were neither in employment nor education or training (NEET) in 2023, with some groups having far higher NEET rates (e.g. 20% of those born outside the EU and 56% of young Roma aged 16-24)⁶. Finally, while the average employment rate of workers between 55 and 64 years of age

has increased in 2023 to above 63%, there is considerable disparity between Member States⁷.

In order to address labour shortages, sustainable labour market integration of those furthest from the labour market is key, as well as strengthening activation, fostering labour market participation and retention. PES are adapting their mandates and increasing cooperation with social services to support people furthest away from the labour market, including those not registered with PES. PES are also investing in active labour market policies to personalise and tailor their support. Furthermore, as PES are already using digitalised service channels for jobseekers with better re-employment prospects, they are also adapting their services to more jobseekers, to lessen the digital divide.

Policy context

In the <u>Political Guidelines for the next European Commission 2024-2029</u>, President van der Leyen called for a new Action Plan for the Implementation of the <u>European Pillar of Social Rights</u> and for 'more investment in people and their skills'.

The importance of cooperation between PES and their partners, as well as within the PES Network was underlined by Stefan Olsson, Deputy Director-General of the European Commission's Directorate-General for Employment, Social Affairs and Inclusion in his keynote speech. Mr Olsson pointed out that employment policies will remain an important focus of the new Commission, with the appointment of an Executive Vice-President for People, Skills and Preparedness signalling that employment and skills policies are to be focal points of the coming term. The Mission Letter for the Executive Vice-President-designate will guide further work to implement a new Action Plan for the European Pillar of Social Rights, which aims to deliver quality jobs, more equality and lift more people out of poverty by 2030. The same mission letter also announced the Union of Skills.

¹ European Commission, Employment and Social Developments in Europe 2024, Publications Office of the European Union, Luxembourg, 2024.

² According to Eurostat's EUROPOP2023 baseline population projections.

³ European Commission, Employment and Social Developments in Europe 2024, Publications Office of the European Union, Luxembourg, 2024

⁴ Eurostat, EU-LFS (lfsa_igar), data for women aged 20-64.

Persons with disabilities have low employment rates, at just 50.8% throughout Europe, and approximately 29.7% face poverty (European Disability Forum (EDF), The Right to Work: The employment situation of persons with disabilities in Europe, 7th Human Rights Report, 2023).

Eurostat, 'Fewer young people neither employed nor in education', Eurostat database, 26 May 2023, accessed 28 November 2024, https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20230526-3; Eurostat, 'Young people neither in employment nor in education and training (NEET), by sex and age - annual data', Eurostat data series, 12 November 2024, accessed 28 November 2024, https://ec.europa.eu/eurostat/databrowser/view/lfsi_neet_a/default/table?lang=en.

⁷ Ibid.

Role of PES and partners

The opening panel, featuring PES, representatives from social partners and NGOs stressed the need for better cooperation. Caroline Mancel, the PES Network Chair, reiterated that the **Memorandum for the Next European Leadership** emphasised the need for 'testing [...] new ways to support activation and employment of groups currently underrepresented in the labour market'. However, many people furthest from the labour market do not access services such as career coaching, and current lifelong learning settings can be too complex and poorly adapted to their needs.

Maxime Cerutti, from Business Europe, stressed the need for cooperation, highlighting the possibilities of joint work between private employment services and public employment services, as well as between social services and employers. Employers are willing to adapt job roles and reassign tasks to persons furthest from the labour market to tackle workforce shortages. Valentina Guerra, from SME United, outlined that small and medium-sized enterprises (SMEs) can be particularly agile in responding to the needs of jobseekers furthest away from the labour market, and are often interested in skills-based hiring, rather than focusing on job titles or formal qualifications.

Tea Jarc, from the European Trade Union Confederation, pointed to the **need for equal opportunities and decent working conditions for workers furthest from the labour market**. Social partners can play an important part in rethinking social benefits and their articulation with activation measures, avoiding disincentives.

While tailored solutions are central to inclusion, there are many aspects that PES cannot handle alone that lie at the core of many persons' vulnerabilities (e.g. access to early childcare or housing). Both Caroline Mancel and Tea Jarc pointed out that adequate resources are needed to **help certain groups in more tailored ways.**

NGOs in the social economy sector are important partners for employment and upskilling, aiding sustainable labour market integration, as emphasised by Heather Roy (Chair of the Social Platform). The third sector regularly engages in outreach, working with and motivating those furthest from the labour market, and PES need to use this opportunity. **Multidisciplinary one-stop shops** address multiple barriers, especially given the intersectionality of needs. However, more adaptation is needed for the inclusion of persons with disabilities, alongside upskilling support across all target groups for this conference.

Key takeaways from the opening panel

While social benefits are key to preventing poverty and social exclusion, minimum income schemes should also be designed in a way that they **support labour market integration**, also helping those furthest from the labour market to learn new skills.

PES, social assistance authorities and social partners should be involved in developing **activation policies**.

Given increasing skills shortages, partners need more coordinated, innovative approaches to address various needs faced by people furthest from the labour market. Local actors such as the social economy sectors or community groups, NGOs (who provide specialised services) and private employment services (who are closer to employers) play a key role.

Single points of contact at the PES, where jobseekers and employers can access targeted services, are essential for delivering tailored, effective support. Equally important is the use of **person-centred**, **holistic and multidimensional diagnosis and assistance** to support those furthest from the labour market.

PES and employers need to develop and encourage more inclusive employment through sensitisation, commitments and incentives, and adapted recruitment processes and workplaces.

Intensive early career counselling has proven effective in supporting groups with more complex barriers to employment. However, personnel resources must be strengthened for adequate caseloads to serve those furthest from the labour market.

Finally, PES and partners' services need to **actively involve service users** during the design of services to ensure tailored and effective measures.

Figure 1: Challenges and opportunities - PES Network Conference 2024



Challenges and opportunities- PES Network Conference 2024. Source: Own elaboration



Outreach and support

Background

While employment rates remain stable across the EU⁸, large groups of people of working age are outside the labour force and have no connection to the PES: **on average, only 35% of those who do not work are registered as jobseekers with the PES in the 26-64 years population**⁹.

Increasingly, EU Member States are using a **range of strategies** to engage persons of working age who are not active on the labour market. This is most commonly done by: ensuring that social benefits do not create financial disincentives and promoting/ensuring access to enabling services. However, in order to ultimately help individuals back into the labour market, PES must first reach out to them.

The <u>Council Recommendation on adequate minimum income</u> <u>ensuring active inclusion</u> highlights that robust minimum income schemes should also **activate those who are able to work**, with support including active labour market measures. EU Member States have increasingly addressed potential inactivity traps and conditionality in minimum income policies, providing incentives for re-entering the labour market, combining income support measures, and ensuring access to enabling services (including housing, childcare, tax, pension policies and lifelong learning)¹⁰. Labour market activation services require cooperation between PES and social assistance, both at the policy level and in implementation.

The EU seasonally adjusted employment rate for people aged 20 64 stood at 75.8%, up from 75.6% in Q1 2024, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=EU labour market - quarterly statistics#Employment rate up and labour market slack down in the EU.

⁹ Organisation for Economic Co-operation and Development (OECD), Reaching out and activating inactive and unemployed persons, OECD Publishing, Paris, 2022.

European Centre of Expertise (ECE), Thematic Review on the Hidden potential People outside of the labour force in the context of labour and skill shortages in the EU, (forthcoming).

Challenges and learning

Sandrine Delassus, PES France, shared lessons from the ongoing reform of the minimum income scheme. Recipients of the Active Solidarity Income (RSA) now receive personalised support, including rights and duties to facilitate access to employment. Around 60% of recipients are expected to be new PES clients in 2025, necessitating enhancing cooperation with social services. A **joint individual diagnosis** involving both employment and social counsellors provides a **comprehensive understanding of individual barriers** and a realistic plan for their return to work. Collaboration between partners is underpinned by shared data and **newly developed common digital tools**. Jobseeker counsellors also need to work together with employer counsellors, in order to understand skills needs and to help placement.

Josée Goris, the Minimum Income Network (MINET) Vice-Chair, emphasised the need for social services and PES to collaborate. She pointed out innovative approaches have been used to **engage social benefit recipients**, including targeted communication campaigns and the use of digital tools to enhance outreach effectiveness and impact¹¹. Marjorie Lestienne, from the International Social Security Association (ISSA), highlighted the role of social security in fostering social inclusion and reducing poverty by acting as a facilitator through an incremental and holistic approach to designing services around the customer, rather than working in silos.

Learning points

While PES have made significant efforts to register young people who are not employed in recent years, relatively **few of them focus their outreach** activities on other groups who are furthest from the labour market.

In practice, outreach options **depend on the PES mandate**, including whether PES are also responsible for minimum income¹² or whether participation in PES services is voluntary for people outside the labour force.

A **human-centred approach to activation** between social service providers, health services and NGOs reaches those furthest from the labour market, especially people not registered with PES.

Local collaborators have a central role to play in signposting jobseekers towards PES services via their face-to-face services, address a lack of trust in public authorities, and help to develop tailored supports. Building an extensive network of local partners, while helpful, requires considerable time investment and effective coordination (e.g. defining and measuring success in terms of outreach, financing efforts and data exchanges).

Digital communication via social media offers a low-threshold opportunity to meet and inform target groups directly and partners can advise PES on target groups, channels and messaging. However, for PES and partners, this means capacity-building in managing the potential risks of digital environments and balancing it with face-to-face presence.

Innovative approaches of **cooperation between PES and minimum income providers** include the use of AI (such as analysis of geographical barriers) to address gaps in benefit take up, or one-stop hubs where several services are offered in a customer-based approach.



Lifelong career guidance

Background

Career guidance (or career counselling) helps people to manage their careers and make educational, training and occupational choices. The European Pillar of Social Rights Action Plan sets a target of at least 60% of adults undertaking training every year by 2030. However, progress has been limited, with only 46.6% of 25-64-year-olds attending education or training activities in 2022¹³.

While lifelong learning, including digital learning, has the potential to reach people from vulnerable backgrounds, low completion rates for learners from lower socioeconomic backgrounds suggest that more needs to be done to encourage sustainable participation by groups furthest from the labour market¹⁴.

¹¹ She also pointed out the potential in collaboration between the Minimum Income Network and the PES Network.

Konle Seidl, R., Activation of the Inactive: PES initiative to support the activation of inactive groups, European Commission, Publications Office of the European Union, Luxembourg, 2020, https://ec.europa.eu/social/BlobServlet?docId=22474&langId=en.

European Commission, Employment and Social Developments in Europe 2024, Publications Office of the European Union, Luxembourg, 2024.

European Commission, Joint Research Centre (JRC) and the European Centre for the Development of Vocational Training (Cedefop), Bertoni, E., Cosgrove, J., Pouliakas, K. and Santangelo, G., What drives workers' participation in digital skills training: evidence from Cedefop's second European skills and jobs survey, Science for policy brief JRC137073, Publications Office of the European Union, Luxembourg, 2024; Castaño Muñoz, J. and Rodrigues, M., 'Open to MOOCs? Evidence of their impact on labour market outcomes', Computers & Education, Vol. 173, Issue C, 2021.

People furthest from the labour market may need advice to navigate a number of learning opportunities and identify the most suitable programmes, including relevant upskilling activities to help them to (re)enter the labour market. With the **digitalisation** of the world of work, and growing digital service provision from PES, attending to clients who either (i) lack basic digital skills, or (ii) lack the resources to access digital devices and/or broadband internet remains a challenge.

Challenges and learning

Cynthia Mary Harrison Villalba, from the European Centre for the Development of Vocational Training (Cedefop), highlighted that social inclusion for career guidance provision, such as enabling individuals with multiple challenges to gain better awareness of the barriers they face, building their competences and capacity, can ultimately help to re-gain motivation to adequately navigate the changing labour market. It can also help service users to understand the outcomes of career guidance and upskilling and the steps they need to take, helping to manage expectations for guidance¹⁵.

Giannoula Hormova, PES Greece, shared that they recently developed sign language interpretation in its career counselling services to enhance accessibility of its digital services. While digital services may increase takeup, in-person learning is required for some clients and should also be adapted to the needs of more users furthest from the labour market. In Greece, targeted programmes are developed regionally/locally to meet employers' needs, in cooperation with local social enterprises and local governments. Cooperation with employers to identify and address skills shortages and how National Euroguidance Centres can contribute to tackling of modern-day labour market problems were also reiterated by Kağan Bayramoğlu, from Euroguidance.

Sabina Špehar Pajk, PES Slovenia, shared information about their **collaboration with social enterprises**, whose success is due to the support of **external mentors** (such as psychologists, job-coaches, work-therapists, experts for work-rehabilitation, HR experts) during the upskilling period. They help to meet the specific needs of persons furthest from the labour market (resulting from disability, health problems, or other social obstacles) and enable their gradual return to the labour market.

Learning points

Career guidance increases awareness among jobseekers furthest from the labour market on the benefits of re- and upskilling and opportunities suited to their needs and those of the present and future labour market. PES, partners and jobseekers should clearly communicate and agree on mutual expectations, outcomes and

intermediate steps and progress achieved through quidance provision.

The language and format of career advice and counselling as well as upskilling activities need to be adapted to learners facing difficulties and in potentially vulnerable situations. Partners can advise PES on ways to engage target groups, while **new forms of digital service delivery** can offer PES improved and easier access. This includes personalised services and support for some groups including those whose digital skills need to be developed. In-person services remain available to offer a range of tailored options.

Skills, rather than formal qualifications, are increasingly important, as people furthest from the labour market may possess valuable experience or non-validated skills, e.g. from caring responsibilities, which should be made more visible.

To ensure continuous and flexible skills development, the implementation of the 2022 Council Recommendation on **individual learning accounts**¹⁶ (ILA) allows workingage adults to gain access to training opportunities, take ownership of their learning and open up further possibilities to accumulate training that demonstrate their skills to potential employers. While many countries are in the early stages of setting up ILAs, PES have the potential to play a role in delivering and promoting this initiative, and other training related initiatives (including voucher schemes).

PES, employers and social partners can develop in-person on-the-job learning, that allows people to showcase their skills, increase skills development and access to training (and validation). For sustainable labour market integration, partners can set up **mentor** models that support people in the workplace.



Cooperation with private employment services (PrES)

Background

Cooperation between PES and PrES has evolved in recent years, partly **motivated by the need to cope with increasingly acute labour shortages**. One-third of PES have recently broadened and reinforced their cooperation with private

¹⁵ CEDEFOP, Inventory of lifelong guidance systems and practices, 2025 https://www.cedefop.europa.eu/en/country-reports/inventory-life-long-guidance-systems-and-practices

¹⁶ Council Recommendation (16 June 2022) on individual learning accounts, https://data.consilium.europa.eu/doc/document/ST-8944-2022-INIT/en/pdf

employment agencies or job portals, while over two-thirds of PES are already working with PrES, as pointed out by Miguel Peromingo, Independent Expert, who presented the preliminary results of a recent PES Network survey ¹⁷.

Press can include private employment placement agencies, recruitment agencies, temporary work agencies (TWAs), and training or assessment providers. Pes and Press often **share information** via job portals (online vacancy and matching platforms), with Pes ensuring non-discrimination and inclusiveness on job portals with which they share information. Some **employment counselling activities are outsourced** to Press in some countries, reflecting that working with jobseekers furthest from the labour market requires specialised skills. Press also provide temporary work which might support clients in vulnerable situations to showcase their skills (though evidence on stable employment relationships remains unclear¹⁸).

Challenges and learning

Niels Lieman, PES Netherlands, shared insights about the cooperation with TWAs, including **informal agreements** to address negative stereotypes and the inclusion of persons furthest from the labour market. This also means collaborating with TWAs to **enforce quality standards**. In regional initiatives, 'Servicepoint Flex', partners, including TWAs, develop refugees' skills and ensure sustainable integration.

PrES, such as Randstad (represented by Yolanda Tieleman), have developed specialised services to successfully integrate those furthest from the labour market. Addressing the inclusion of persons with disabilities, they offer workplace analysis and advice on company inclusion policies for employers. Besides this, they also offer career services and temporary employment. As an employer, they collaborate not only with large corporations but also with any company that is suitable and willing to employ persons with disabilities. At the same time, private providers provide (practical) skills training for jobseekers, as well as job coaching after the person has been recruited by a larger company as a temporary worker. Other private employment services (e.g. The ADECCO Group, represented by Menno Bart) provide career services (as well as temporary agency work) to jobseekers furthest from the labour market.

Some PES are **unsure about the best way to cooperate** with PrES, as there is mixed evidence on the effectiveness of outsourced services' (cost) effectiveness for clients furthest from the labour market. In addition, contracts with providers may not always prevent cream-skimming¹⁹.

Learning points

Transitions on European labour markets **increasingly require collaboration between private employment services and PES** to address skills shortages and to improve services for those furthest from the labour market via specialist services.

PES may rely on PrES' **sectoral knowledge for better skills alignment,** their agility and adaptability, and expert knowledge of employers' preferences.

Irrespective of the level of cooperation, regular dialogue between PES and private employment services, underpinned by informal agreements (or similar) helps to understand their respective roles and responsibilities and build mutual trust.

Cooperation between PES and private employment services needs to be tailored to the target group to avoid 'cream-skimming' effects.

Agreements containing key performance indicators (KPIs) **incentivise sustainable integration**, for example lasting a minimum of six months for those furthest from the labour market.

Using contracting arrangements that promote support to people furthest from the labour market can help PES to showcase the added value of such cooperation.

Diverse providers with different specialisations can provide more holistic services to groups furthest away from the labour market, also with a focus on skills development. While competitive procurement aids job placement, smaller providers may benefit more from alternative funding methods like fee payments or seed funding.

Ministry of Economic Affairs and Employment, Finland, Cooperation between public and private employment services in Europe, Survey Summary, September 2024.

For an overview, see Houseman, S. Temporary agency work. IZA World of Labor 2024: 27 doi: 10.15185/izawol.27. See also Jahn Rosholm (2018), The Cyclicality of the Stepping Stone Effect of Temporary Agency Employment. IZA DP No. 11377.

Cream-skimming occurs when placement agents select those individuals with higher employability chances (e.g. the highly skilled) for programmes instead of hard-to-place unemployed persons and provide only the bare minimum of services to the second group (so-called parking) (International Labour Organization (ILO), Ernst, E., Merola, R. and Relijic, J., Labour market policies for inclusiveness: a literature review with gap analysis, ILO, Geneva, 2022.



Evidence based service design

Background

Understanding what works for whom is crucial for PES to provide adequate, tailored services for clients furthest from the labour market. PES **need more evidence to inform their services²⁰ and increasingly use data to identify and assist those furthest from labour market integration²¹. However, such evidence is not applied consistently²² and PES still struggle to ensure that evidence is integrated throughout service development. In addition, issues of data quality and data protection arise, with a need to balance users' concerns and involvement.**

Challenges and learning

Theodora Xenogiani, OECD, presented a joint project with the European Commission to measure the effectiveness of active labour market policies (ALMPs). Based on the results of counterfactual impact evaluations, the project built national capacity for evidence informed policy-making²³, using the increased availability of administrative data to guide policy implementation. One case study is Ireland's Community Employment programme, a public work programme for long-term unemployment that has demonstrated positive impact on earnings in the long-term.

Simon Lamech, PES Denmark, introduced lessons learnt from the important experiment (JobFirst) in collaboration with 15 municipalities to support individuals furthest from the labour market and facing multiple challenges. **New methods of working, such as lower caseloads for counsellors and gradual placement in jobs on the primary labour market, supported by mentoring,** have shown positive outcomes²⁴. This approach is now being rolled out and implemented by municipalities in a flexible manner.

Learning points

Evidence-based services must be backed by rich, quality data. The Open Data Directive (as well as the Data Governance Act) regulates how public bodies can use and share data for research purposes. This also enables the increasing use of innovative low-cost **evaluation**

tools, based on administrative data, matching models and machine learning.

A **unique personal identifier** (such as those used in Denmark or Estonia), can link many different (administrative) data sources to track progress of social assistance benefit recipients.

There is growing recognition of the need for evidence-informed policy-making. Within PES, effective internal/external planning and clear communication to the public and policy-makers can further increase evidence-based services.

For people facing various barriers to enter the labour market, PES and partners still struggle to look at outcomes beyond employment, such as health and social impacts. However, common efforts of partners to map and track a jobseekers' path towards employment can show employment, social and health outcomes. This requires a more comprehensive set of data.

Intensive early employment counselling, followed by gradual return to jobs in the primary labour market, supported by mentoring has proven effective. Individually tailored assistance is a key element, for which lower caseloads for counsellors serving those further from the labour market seems necessary.



Older workers

Background

Encouraging people to work longer and fostering the employability of older workers has become increasingly important in view of demographic challenges. Between 2019 and 2023, the employment rate of older workers increased by five percentage points, partly due to national pension reforms²⁵. However, **older workers face greater difficulties in returning to employment if they become unemployed, leading to a high share (50%)** of long-term unemployment

²⁰ In 2020, the PES Network published a 'Practitioner toolkit on evidence based services', available here: https://ec.europa.eu/social/Blob-Servlet?docId=23149&langId=en

²¹ European Commission, PES Working Group: Evidence-based service design: latest trends. Towards more data and experience-base models, Publications Office of the European Union, Luxembourg, 2024.

OECD, Building capacity for evidence-informed policy-making, OECD Publishing, Paris, 2020; OECD, Impact evaluation of labour market policies through the use of linked administrative data, OECD Publishing, Paris, 2020.

²³ Ibio

²⁴ Treatment group had 14% more paid working hours than the control group during a six-year period.

European Commission, Employment and Social Developments in Europe 2024, Publications Office of the European Union, Luxembourg, 2024.

among older unemployed²⁶.

These developments change the PES client base: jobseekers become older and PES may increasingly work with people who previously left the workforce. Earlier PES Network studies²⁷ highlight that ALMPs (mostly wage subsidies) show positive effects for older workers, however older workers tend to be underrepresented among ALMP participants including training (which also tends to be shorter). PES can raise awareness and prevent age discrimination in recruitment and lay-off situations. A key challenge for PES is to encourage employers to recognise the value of older employees and support them in future employment opportunities (job-to-job transitions, or self-employment)²⁸. **Upskilling and career counselling can maintain productivity** and help to avoid skill obsolescence²⁹, but needs to be adapted to individuals' specific learning needs. In addition, another challenge for PES is to make use of measures which are tailor-made for upskilling older workers, and to avoid an overreliance on hiring subsidies.

Challenges and learning

Elke Cleymans, PES Belgium-Flanders (VDAB), presented the 50+ project, which engages older workers and tailors support based on distance from the labour market. In practice, many older clients have been unemployed for some time and receive intensive guidance. The project also offers older persons skills and on-the-job training, as well as tailored jobs for those with long-term health issues. VDAB trains its staff and employers accordingly, including the newly developed 'Fifty shades of wisdom' **sensitisation course**, as well as making use of collective learning opportunities and awareness-raising campaigns.

PES are addressing potential ageism in the workplace by training and employment counselling for employers. Evita Simsone, PES Latvia, shared that they provide company-specific human resources (HR) analysis, recommendations and advice for retaining and recruiting older workers, focusing on improving the working environment. It also collaborates with universities to offer additional career counselling and support for workers over 45. Laura Christ, from AGE Platform, also emphasised the necessity to raise awareness of (unconscious) ageism among employers through better communication between PES and employers, as well as pointing out the benefits of intergenerational collaboration of the workforce to employers.

Learning points

Supporting older workers is rarely set as a strategic priority for PES, despite pressing demographic challenges. Finding the right balance between mainstream and targeted measures is also a challenge: approaches differ strongly across countries.

A sole focus on age categories is not enough, there is a need for PES and partners to **provide tailored services support based on the distance from the labour market**, while sensitisation to the issues of ageism for PES staff can be instructive at the same time.

PES and partners can jointly raise awareness about workers' needs and career guidance can further support older workers. Cooperation with social partners helps to build trust, foster direct collaboration, and challenge stereotypes.

Employers should prioritise retaining older workers, for instance by offering financial incentives and flexible working arrangements tailored to their needs. They can provide inclusive workplaces by using varied contract types and mentorship programmes; however, such incentives need to be well targeted.

Social partners and NGOs can further work with PES for **age management** in companies, and help to identify upskilling and reskilling programmes, along with training for employers' HR departments.



Women in vulnerable situations and caregivers

Background

Improvements are needed to meet the ambition set in the Action Plan to Implement the European Pillar of Social Rights of at least halving the gender employment gap between 2019 and 2030. In 2023, more than 31 million women were not part of the EU labour force, with nearly 9% not seeking work due to caring responsibilities or other family reasons³⁰.

- 26 European Centre for the Development of Vocational Education (Cedefop), 'Long-term unemployment rate', Cedefop website, 2022, accessed 28 November 2024.
- 27 European Commission: Directorate-General for Employment, Social Affairs and Inclusion, Dohse, K. and Mosley, H., PES in support of an ageing workforce study report', Publications Office of the European Union, Luxembourg, 2019, https://data.europa.eu/doi/10.2767/535792.
- 28 Ibid.
- For an overview, see OECD, Promoting better career choices for longer working lives: Stepping up not stepping out, ageing and employment policies, OECD Publishing, Paris, 2024, https://doi.org/10.1787/lef9a0d0-en.
- Eurostat, 'More women than men outside the labour force', Eurostat website, 2022, accessed 28 November 2024, https://ec.europa.eu/

Reducing the employment gap hinges on addressing the **challenge of gender differences in the career trajectories of parents and carers**, which is linked to limited access to formal childcare services, the unequal division of unpaid work³¹, and involuntary part-time work³² among women with caring responsibilities. For other women, notably migrant women, discrimination adds to the complexity of their situation³³.

PES often pursue an **individualised, person-centred approach**, with some assisting women in vulnerable situations to access, return and stay in the labour market. However, few have initiatives specifically to break down stereotypes³⁴. Similarly, while some PES have programmes with hiring subsidies and upskilling elements, relatively few new ALMPs have been introduced for women returning to the labour market³⁵.

Challenges and learning

Julian Hiebl, explained that PES Austria engage with women in vulnerable situations over a sustained period of time and target three offers exclusively to women: 1) Women's Career Centres; 2) Support for re-entry including specialised counselling: and 3) Women in Trades and Technology, which combines training and counselling. These initiatives support women in more holistic ways by collaborating with experienced providers. Through 'Neighbours in Vienna', a social initiative (including the City of Vienna, NGOs and other partners), PES Austria builds on social workers' local visits to families and young mothers. It also collaborates with ZIB Training GmbH (represented by Silvia Correale) to deliver a targeted and holistic initiative, 'Job Navi', which combines education, extensive counselling and on-site childcare, providing individualised support for women in vulnerable situations (financially and often personally).

Samira Boumakdi Isabel, from COFACE Families Europe, highlighted that more needs to be done to reconcile family and work, for example employers providing more flexible work options, policies addressing inequalities, and employment services helping to support and collect data on the labour market trajectories of 'at risk' groups and the effectiveness of measures.

Learning points

PES can play a key role in shaping support structures and holistic programmes for women in vulnerable situations.

They can offer **multidimensional and joined-up supports** with/through experienced partners, bringing together advice, counselling, training and employment advice, on-site childcare, or access to financial support to cover forms of care.

NGOs are increasingly key partners in supporting the integration of women with more complex challenges (dependency, backgrounds of violence).

Cooperation with social enterprises and NGOs also aims to identify and validate skills, facilitate **peer to peer support** (such as via buddy programmes or mentoring), to stimulate empowerment and select channels for further support and career guidance.

Employers play a role in how the labour market integrates and keeps women in vulnerable situations in work. PES can support smaller employers to understand the HR and legal framework that can help to accommodate different forms of work, by **promoting more agile career paths** or care responsibilities amongst men.

Finally, social partners can play a critical role in **securing safe work environments and bridging employer/ employee relationships**, particularly where workplace adaptations are needed to support employment. PES can engage with social partners to define work-based training opportunities in certain industries to ease transitions into the labour market.

 $[\]underline{eurostat/web/products-eurostat-news/-/ddn-20220622-1\#:\sim:text=The\%20shares\%20of\%20women\%20outside,resulting\%20share%20is\%20only\%200.5\%25.}$

European Commission, Employment and Social Developments in Europe 2024, Publications Office of the European Union, Luxembourg,

European Commission: European PES Network, Sansonetti, S. and Davern, E., PES approaches to the promotion of gender equality: Gender equality, underemployment and involuntary part time work, Publications Office of the European Union, Luxembourg, 2020, https://ec.europa.eu/social/BlobServlet?docId=23300&langId=en.

European Commission: European PES Network, Hajnal, A. and Scharle, A., Mapping PES responses against labour market discrimination, Publications Office of the European Union, Luxembourg, 2022.

See European Commission: Directorate-General for Employment, Social Affairs and Inclusion, Duell, N., New forms of active labour market policy programmes, Publications Office of the European Union, Luxembourg, 2024.

Availability of childcare, fiscal incentives for return to work after childbirth, and availability of flexible work arrangements fall outside the PES remit.



Persons with disabilities

Background

Despite continuous progress, the disability employment gap stood at 21.5% in 2023³⁶. At EU level, the commitment to improving labour market outcomes for persons with disabilities, is reflected in the **Strategy for the Rights of Persons with Disabilities**³⁷. While services for persons with disabilities vary across PES, they play a key role in supporting labour market integration³⁸.

PES cooperation with employers in the primary labour market is crucial to address stereotypes and a broader understanding of inclusive workplaces, via diversity training, job-sharing or job-carving (taking elements of a job or task and designing a more accessible job), and employer advice. Furthermore, PES services for jobseekers with disabilities³⁹ include measures providing financial incentives for employers to recruit and retain these workers. Partnerships with vocational rehabilitation or health providers provide more holistic supports to support persons with disabilities⁴⁰.

Challenges and learning

Birgit Eiber, PES Germany, and Detlev Blenk, IKEA Germany, shared their approach of working with persons with disabilities, which centres on inclusion from recruitment and throughout the employee's journey. For example, the PES covers training of employees with disabilities. IKEA Germany raises awareness to its employees through training, but the challenge of hiring managers' (and colleagues') hidden biases towards persons with disabilities might persist.

Shanis Wollarth, PES Sweden, presented their supports to improve opportunities for people with disabilities or health problems to find, obtain and retain a job. This involves matching individuals' aspirations with suitable jobs and providing employers with guidance on suitable workplace accommodation⁴¹, tailored public support, and follow-up services by specialists.

Sirlis Sõmer-Kull, PES Estonia, outlined their **new methodology for assessing work capacity**, which leads to more effective vocational rehabilitation services, provides a clearer understanding of people's activity limitations and work capabilities, and ultimately results in increased employment of persons with disabilities.

Haydn Hammersley, European Disability Forum (EDF), stated that **co-creation of services** with interest groups representing persons with disabilities can help ensure that services are inclusive and they can consider the broad diversity of identities and experiences of persons with disabilities.

Monika Chaba from DG EMPL presented the deliverables of the <u>Disability Employment Package</u>, one of the seven flagship initiatives of the Strategy for the rights of persons with disabilities (2021-2030). The Package guidelines covering all stages of employment, from recruitment, through retention, return to work and adult learning, have been developed with all relevant stakeholders, including the PES Network, Cedefop, EU OSHA, social partners, civil society and EU and national level experts and public authorities. Monika Chaba invited all the participants to make use of the Package guidelines and the model practices that could be replicated.

Learning points

Creating **inclusive workplaces requires collective efforts** from employers, colleagues, and stakeholders.

Accessible communication, adapted workflows, and linking candidates with suitable roles all foster a culture of inclusion.

PES and employers still need to address hidden biases and limited awareness through awareness campaigns, training sessions, open days or job fairs.

Partners need to work on **continued co-creation with persons with disabilities**, starting from pre-recruitment and induction, through familiarisation with workplaces

Persons with disabilities have low employment rates, at just 50.8% throughout Europe, and approximately 29.7% face poverty (European Disability Forum (EDF), The Right to Work: The employment situation of persons with disabilities in Europe, 7th Human Rights Report, 2023).

European Commission, Union of Equality: Strategy for the Rights of Persons with Disabilities 2021-2030, 2021 https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legissum:4532503

European Commission: European PES Network, Genova, A. and Davern, E., Practitioner toolkit on strengthening PES to improve the labour market outcomes of persons with disabilities, Publications Office of the European Union, Luxembourg, 2022, https://ec.europa.eu/social/BlobServlet?docId=26069&langId=en.

European Commission, 'Supported Employment: Norway', European Commission website, October 2021, accessed 28 November 2024, https://ec.europa.eu/social/BlobServlet?docId=24843&langId=en: European Commission, 'Supported Employment: Estonia', European Commission website, November 2019, accessed 28 November 2024, https://ec.europa.eu/social/BlobServlet?docId=21923&langId=en:.

⁴⁰ European Centre of Expertise (ECE), Thematic Review on the Hidden potential – People outside of the labour force in the context of labour and skill shortages in the EU, forthcoming.

The EU also provides support with reasonable accommodation guidelines, <a href="https://europa.eu/youreurope/business/human-resources/equal-treatment-qualifications/reasonable-accommodation/index_en.htm#:~:text=Any%20employee%20with%20a%20disability,work-ing%20conditions%20and%20fringe%20benefits.

and tools, meeting mentors, retention of employees based on individual strengths, alternative performance metrics, leadership programmes, and accessible career transition support.

An increased effort through **Individual Placement and Support** methodology for re-integrating persons with mental health impairments is being piloted in several countries, with considerable success.

Single points of contact at the PES can train employers on financial and other public supports for workplace accommodation. Work-based programmes, in particular, have helped employers to address a shift in attitudes and a better understanding of workplace diversity needs.

PES can focus on matching jobseekers' aspirations with their functional capacities through tailored supports such as workplace adjustments and vocational rehabilitation. **Job-carving by PES and employers** can identify elements, tasks and outcomes from existing jobs in the enterprise and design a new job or workflow that can integrate a person with a disability or a mixed ability.



Persons not in employment, education or training (NEET)

Background

While the proportion of NEETs is declining, it remained at 11.2% in 2023 across the EU, meaning that **slightly more than 8 million young people aged 15-29 were not in education, employment or training**⁴². The share is considerably higher for those with low education and for young women⁴³. In recent years, PES have put considerable efforts into providing timely and well-structured services for young people, partly through the Youth Guarantee. The Reinforced Youth Guarantee brought two important developments for PES⁴⁴: it increased the emphasis on reaching out and designing measures for NEETs (as people outside the labour force) and it extended the age limit for targeted young people from 25 to 29, resulting in new

groups for PES and partners (e.g. mothers with young children).

PES need to gather information on the heterogeneity of NEETs (including their skills and barriers to employment) and strengthen and tailor their outreach methods. Cooperation with a vast range of services, including education, health and social services addresses NEETs' various needs. Some young people, including from disadvantaged backgrounds, need post-placement support once they are in employment and trade unions have voiced their concerns that some jobs can be of low quality and precarious, even when they are offered as part of the Youth Guarantee. This requires also more targeted collaboration with employers.

Challenges and learning

Fiona Ward and Annette Conroy, PES Ireland, shared that engaging with employers is crucial to the success of employment programmes for NEETs. The **Employment and Youth Engagement Charter**, launched in May 2024, outlines efforts to encourage employers to offer work experience opportunities to young people. Employers voluntarily engage in commitments by signing the Charter, a practical list of commitments developed together with employers and young people. The **Work Placement Experience Programme** (a 6-months, 30 hour-per-week voluntary training and work experience programme, where participants receive an increased rate of benefit, which includes a training allowance, for the duration of the programme) has proven a success, with high retention rates.

Cláudia Pinto, from the European Youth Forum, highlighted the importance of involving young people in solutions, as PES Ireland did in drafting the Charter. This collaborative approach ensures the perspectives and needs of young people are central to discussions and decisions.

Learning points

Engaging employers is key to PES' successful youth employment programmes. PES can highlight the value of capitalising on untapped potential and links to companies' corporate social responsibility, such as via nation-wide initiatives or sectoral commitments.

Work experience programmes, which include training elements can be useful for young persons to highlight their

Eurostat, 'Fewer young people neither employed nor in education', Eurostat database, 26 May 2023, accessed 28 November 2024, https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20230526-3; Eurostat, 'Young people neither in employment nor in education and training (NEET), by sex and age - annual data', Eurostat data series, 12 November 2024, accessed 28 November 2024, https://ec.europa.eu/eurostat/databrowser/view/lfsi neet a/default /table?lang=en.

^{12.5%;} and 10.1% NEET rate for women and men, respectively. The NEET rate was 12.9% among those with a low level of education, compared to 11.6% among those with a medium level of education and 7.8% among those with a high level of education, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Statistics on young people neither in employment nor in education or training&stable=0&redirect=no#Young women are more likely to neither be in employment nor in education or training than young men.

⁴⁴ Recent results of the Youth Guarantee, https://ec.europa.eu/social/BlobServlet?docId=24936&langId=en.

positive attitudes as well as for gaining skills. However, there need to be safeguards against 'churning' of youth⁴⁵.

NEETs require comprehensive support addressing social, educational, and employment barriers via tailored counselling, and psychological support to ensure long-term, sustainable employment outcomes.

An increasing number of young persons need **mental health support**, which requires PES to build new partnerships with relevant service providers. For early school leavers, non-formal education programmes coupled with psychosocial counselling can provide a first step towards vocational education.

Building trust with young people requires **partnering** with social NGOs and social partners, and innovative branding can further enhance this. A unified strategy among PES and partners, with clear guidelines, ensures a coordinated approach to engage young people. Further solutions include partnering with organisations outside PES to use innovative practices to engage young people, such as programmes not directly related to employment.

Conclusion

In the concluding session, speakers stressed that collaboration will be crucial to meet the ambitions set by the Political Guidelines 2024-2029 for the next European Commission.

A more holistic and person-centred approach to the integration of persons furthest from the labour market

is needed. This necessitates improved cooperation betweenstakeholders - as emphasized by Celia Falzon (PES Malta), including a clear understanding of who does what for which clients, while keeping in mind that all stakeholders are working towards a common goal. The **importance of cooperation between private employment services and public employment services** is growing. Sonja van Lieshout pointed out that it is vital to build trust between these organisations and monitor how PES and partners working together lead to sustainable outcomes for clients.

One of PES' missions is to emphasise that those furthest from the labour market have skills and competencies that are valuable to employers. The role of PES is to help every individual to reach their full potential, and every employer's full potential to recruit. PES also need to sensitise employers and assist them to create the right jobs for those furthest from the labour market. Listening to the NGOs and social services providers representing or working with clients (including the most vulnerable) is central to designing and delivering quality services.

Inga Balnanoisiene noted that the PES Network is ready to face the challenges of employment and upskilling of persons furthest from the labour market. However, all speaker signalled the need to invest more in capacity-building at PES; digital technology, especially in upskilling; and research and piloting to investigate the most effective ways of providing services.

David Dion (DG EMPL) emphasized that a key takeaway is that PES have to face the difficult task of pursuing both economic efficiency and social equity. The PES Network will have an important role in **implementing the European Pillar of Social Rights Action Plan.**

Figure 2: Unlocking potential: Next steps - PES Network Conference 2024



Unlocking potential: Next steps - PES Network Conference 2024. Source: Own elaboration

⁴⁵ That the employer cycles through several youth one after the other, with no intention of longer-term hiring.

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