



ARGENTINA MUNICIPAL EMPLOYMENT BUREAUS

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Since 2005 the Argentine Government has been supporting the organization and strengthening of Municipal Employment Bureaus (*Oficinas Municipales de Empleo – OME*) through the Ministry for Labour, Employment and Social Security (*Ministerio de Trabajo, Empleo y Seguridad Social – MTEySS*). These bureaus provide employment services, seeking to inter-relate all active employment policy tools and job opportunities originating in the private sector of the economy, and unemployed persons or persons wishing to improve their work situation. OMEs are technical agencies connecting supply and demand in the area of jobs, furnishing employment-related information and guidance, and free training. Whereas Employment Bureaus filled a major role during the period of strong economic growth by retraining beneficiaries of the Heads of Household Programme (*Programa Jefes y Jefas de Hogar*), in the present crisis they are mostly a way to obtain information and access to various social programmes designed to help increase employability and employment.

1. Introduction

After long economic recession in the late 90s, which worsened with the crisis in 2002 (open unemployment reached 22% in October), Argentina went through a period of sustained economic recovery and growth. The Ministry for Labour, Employment and Social Security played a decisive role in containing the crisis through the Heads of Household Programme (*Programa Jefes y Jefas de Hogar – PJJH*), in which municipalities were actively involved. The PJJH transferred an amount equal to US\$ 50 monthly to “heads of household with children up to 18 years of age or disabled persons of any age, or homes where the head of household or spouse, concubine, or common-law wife of the head of household is pregnant, all are unemployed, and are permanent residents in the country.”

The PJJH originally assisted over two million direct beneficiaries. Later, economic policy dynamics led to strong growth of the economy and employment, which brought down the number of PJJH beneficiaries as soon as they were able to join the job market, actively aided by OMEs. By June 2009, the number of PJJH beneficiaries had dropped to 432,335 persons –a growing downward trend in spite of the global financial crisis.

From 2003 to 2005, the MTEySS altered its policy profile, until then focused on providing assistance to the more immediate effects of the crisis. In view of the major recovery of the economy and employment, policies focused on reducing structural unemployment regionally, to offset a workforce rapidly losing its skills. Active employment policy strategies were designed, launching in 2003 the “More and More Work” Comprehensive Employment Plan (*Plan Integral de Empleo Más y Mejor Trabajo*). The Plan was an original strategy involving active employment policies and Skill Rating Agreements by Sector, and Regional Job Promotion Agreements.

The Skill Rating Agreements by Sector are a coordinated group of actions initiated by the active participants of a sector, supported by the MTEySS and other areas of the State. The aim is to strengthen productivity, competition and the ability

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to create employment based on the particular dimension of skill ratings. These Agreements, as sector plans, sought to identify less skilled workers with limited working experience, calling on public and private players to develop actions and projects to strengthen their employability and support the development of their occupational projects.

The Regional Job Promotion Agreements are strategies initiated by municipalities and local players, supported by the MTEySS and other areas of the State, in response to employment problems and the need to rate people within the framework of regional process and development opportunities. The Plan sought to identify sectors of economic activity and enterprises with greatest potential for creating employment, and called on related public and private players to develop projects and actions designed to train and include unemployed PJJH beneficiaries in the workforce. The Agreements essentially involved executing territorial proposals for development of local economies and, on this basis, opening Municipal Employment Bureaus (OMEs) and forming the National Network of Employment Bureaus.

In early 2006 the MTEySS started the Training and Employment Insurance (*Seguro de Capacitación y Empleo – SCyE*), originally set up in October 2004, to facilitate reorienting the Heads of Household Programme. The insurance sought to encourage PJJH beneficiaries actively to look for work, to which end they receive guidance and employability is improved through capacity-building programmes. The insurance is non-wage based, and designed for the unemployed, especially PJJH beneficiaries. This limited-term Insurance (2 years) involves monthly PJJH payments increased to US\$ 70, and aims to promote effective work retraining of beneficiaries.

More recently, May-June 2009, the MTEySS started the Youth with More and Better Work Programme (*Programa Jóvenes con Más y Mejor Trabajo – PJMMT*), for young people aged 18 to 24 and having employability and employment difficulties. The aim is to create opportunities for social and work inclusion for youth through integrated actions enabling them to identify the professional profile they wish to develop, finish their compulsory schooling, gain experience in skills and internships in working environments, and begin a productive activity either independently or joining the labour force.

In this framework, and especially while undergoing the effects of the global financial crisis, the OMEs are a fundamental tool of the MTEySS for implementing active employment policies, based on the notion that local governments enjoy important advantages to assist with employment problems. Among others reasons, because:

- in recent years, local governments have developed various social and economic activities and programmes
- local governments are usually the first to be affected by unemployment
- their knowledge of local circumstances enables them to develop specific local strategies to handle employment problems
- they are physically close to local players, which makes it simpler to keep in touch and promote cooperation, especially among those responsible for economic growth.

2. The Employment Bureaus

Organization and reinforcement of the Municipal Employment Bureaus are framed in the national Employment Law. Setting up these Bureaus began in 2005. They provide employment services, seek to inter-relate all active employment tools and job opportunities originating in the private sector of the economy, and the unemployed or persons seeking to improve their work situation. OMEs are technical agencies that connect work supply and demand, provide information and guidance on employment, and free training. At the same time they supply a channel for information and access to various social programmes run by the State of Argentina, intended to increase employability and employment. Their target population is composed of the unemployed, underemployed, people who need training or restoring their work profile, and so on. The aims of the Employment Bureaus are basically to:

- improve local employment services for the economically active population
- favour access by PJJH beneficiaries and other unemployed persons to genuine jobs, and to educational and productive activities
- redirect municipal PJJH management areas towards provision of lasting comprehensive quality employment services
- develop various forms of coordination among public and private employment bureaus that share the same geographic field of action, fostering creation of networks of local institutions
- harmonize management processes and instruments at the Employment Bureaus receiving funds under the programme.

In the period following the 2002 crisis, OMEs first became an appropriate channel to implement emergency social policies. Later they were useful in retraining many unemployed people by taking advantage of the growing economy and employment. Realizing the role played by OMEs in applying employment policies at local level, the MTEySS sponsored and supported the formation of a vast network bureau network across the country. By June 2009 the

network had 282 Employment Offices (all formed in 2005-2009), 170 of which received direct technical assistance from the ILO through the AREA project from 2005 to 2008.

Table 1
Employment Bureaus by Province, May 2009

Province	Number of OEs in operation
Buenos Aires	61
City of Buenos Aires	1
Catamarca	13
Chaco	10
Chubut	5
Córdoba	24
Corrientes	8
Entre Ríos	14
Formosa	8
Jujuy	9
La Pampa	8
La Rioja	6
Mendoza	12
Misiones	12
Neuquén	4
Río Negro	7
Salta	7
San Juan	10
San Luis	2
Santa Cruz	2
Santa Fe	34
Santiago del Estero	4
Tierra del Fuego	2
Tucumán	19
Total	282

Source: Monthly Report of Affiliate Execution and Profile. Monitoring Area of the Department of Employment, May 2009

Until the first quarter of 2009, and ever since they started operating in 2005, OEs had helped a total of 1,312,196 persons with job guidance services, support to seek work and self-employed work guidance. They also provided job brokerage and referrals to schools or professional training for social services and other MTEySS programmes. In addition, from April 2006 to May 2009, 337,611 work histories were uploaded to the IT Platform (*Plataforma Informática – PI*) of the Employment Services Network. It should be noted that the PI is the basic tool handled by all the OEs as the connection that enables the Network to function.

It should be noted, however, that although the OEs assisted 691,164 users in 2007, the number diminished to 515,810 in 2008. This decrease took place especially during the last quarter of the year, coinciding with the world financial crisis. In the face of this situation and in response to the impact of the world financial crisis, the OEs, supported by the MTEySS, have given priority since late 2008 to providing assistance to beneficiaries of the Training and Employment Insurance (*Seguro de Capacitación y Empleo – SCyE*) and the Youths with More and Better Work Programme. In this context, by May 2009 the number of SCyE users had risen to 65,614, and the Youths with More and Better Work Programme had 68,101 beneficiaries. In the latter case, the largest number of people were assisted in the last quarter of 2008 and during the present year.

In general, OMEs furnish a mechanism suited to coordinating employment supply and demand at local level. In addition, because of the acute employment issues arising in certain places, and at times aggravated by the world crisis, they again prove to be effective tools for promoting employment and setting conditions for retraining the unemployed. This has been possible, especially because OEs are part of the municipal structure, and to a certain extent were instrumental in involving municipal corporations far more in responding to employment issues in their jurisdiction.

Table 2
Number of persons covered by the SCyE by Province, May 2009

Province	Total
Buenos Aires	17,691
City of Buenos Aires	17
Catamarca	4,032
Chaco	4,737
Chubut	413
Córdoba	1,182
Corrientes	7,521
Entre Ríos	1,073
Formosa	4,974
Jujuy	912
La Pampa	1,604
La Rioja	4,347
Mendoza	1,700
Misiones	382
Neuquén	928
Río Negro	332
Salta	2,984
San Juan	768
San Luis	997
Santa Cruz	53
Santa Fe	4,944
Santiago del Estero	708
Tierra del Fuego	118
Tucumán	3,197
Total	65,614

Source: Monthly Report of Affiliate Execution and Profile.
Monitoring Area of the Department of Employment, May 2009

3. Conclusions

A well-functioning employment bureau cannot guarantee the ability to resolve by itself the employment problems of a locality. It should be noted, however, that it does represent a necessary element of support to develop an active local employment policy, even if it at first manages basic services and is not immediately capable of initiating employment promotion processes, necessarily connected to the development of local economies. For this reason, one of the tasks being worked on with much zeal at present is the interaction of employment services with the local economic development initiatives.

OEs have been instrumental in getting local governments involved in employment problems and associated active policies. They are an essential player in employment promotion strategies and connection with the local productive network.

To date, however, employers fail to make regular use of this employment service, which is not surprising, given certain factors like, for instance, that many of the work histories in the OME IT-Platform refer to the Heads of Household Programme. The MTEySS is therefore working on a sensitization initiative for businessmen, in collaboration with local authorities, to increase awareness of the efforts made in the area of training and thereby gain more trust in the system. More participation by these social players, particularly businessmen, might accelerate the process.

In future, work should focus on consolidating the OEs whether concerning their own human resources and professionalism, or in harmonizing methods and services based on quality benchmarks. In addition, the integration of national, provincial, and local employment policies in matters of employment, professional training, and local development need to be strengthened to achieve more efficient employment services.