



PES vocational training and the social partners

Good practices and effective institutions to bridge education, training, and decent work

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Overview of the labour market in 2010 (average stock)

(% change compared to 2009 in brackets)



➤ Dependent employees	3,360,238 (+ 0.6 %)
➤ Unemployed total	250,782 (- 3.7 %)
➤ Unemployed women	105,676 (- 1.0 %)
➤ Unemployed men	145,106 (- 5.5 %)
➤ Unemployed youth 15 to 24	40,084 (- 6.6 %)
➤ Unemployed > 45	84,971 (- 0.2 %)
➤ Unemployed foreigners	48,167 (- 1.5 %)
➤ Unemployment rate	4.4 % (- 0.4 %)
➤ Unemployment rate EU 27	9.6 % (+ 0.6 %)

PES and vocational training



- PES is one of the big players in vocational training (for unemployed and for employed persons)
- No PES training institutes, all measures are outsourced
- Expenditures 2010: € 687 million (€ 625.5 million national funds, € 61.5 million European Social Fund – ESF)
- 63.7 % of total expenditures for active labour market policies of € 1,079 million
- 345,803 persons (78.7 % of all persons who took part in active measures)

Role of social partners (1)



- All PES vocational training programmes are approved by the social partners
- The social partners operate some of the biggest vocational training institutions
- They are treated by the PES as any other provider: they have to take part in tenders



Role of social partners (2)

- The social partners are involved in strategic decisions on all levels of the PES organisation:
 - ✓ Federal level
 - ✓ Regional level
 - ✓ Local level
- Social partners:
 - ✓ Chamber of Labour
 - ✓ Federation of Trade Unions
 - ✓ Economic Chamber
 - ✓ Industrialists' Association



Role of social partners (3)

Examples of decisions in which the social partners are involved

➤ Federal level

- ✓ Long-term plan (regarding all aspects of the PES; 2009-2013)
- ✓ Annual budgets for staff, IT and material and for active measures
- ✓ Allocation of staff to the regional organisations
- ✓ Annual targets
- ✓ Appointment of the Board of Directors and the Regional Directors

Role of social partners (4)



➤ Regional level

- ✓ Annual working programme
- ✓ Regional targets
- ✓ Allocation of the budget for active measures to the local offices
- ✓ Allocation of staff to the local offices
- ✓ Appointment of the Regional Directors

➤ Local level

- ✓ Mid-term working programme
- ✓ Annual working programme
- ✓ Local targets
- ✓ Consultation before the appointment of the Regional Director



Role of social partners (5)

- Advantages of involving the social partners in important decisions
 - ✓ Discussions on important labour market issues take place within the PES and not so much outside
 - ✓ All decisions are a compromise between employees' and employers' organisations and thus accepted by both
 - ✓ Decisions taken are widely accepted by the PES customers and the public
 - ✓ PES management and employees are rarely criticised in public by the social partners
- Disadvantages
 - ✓ Sometimes it takes a long time to get a decision
 - ✓ Some decisions are not as clear (compromise!) as the PES management would like to have them

Cooperation with providers (1)



- PES provides all basic services like counselling, acquisition of vacancies, job placement and granting of unemployment benefits through its own staff
- All active measures are carried out by external providers
 - ✓ Counselling for special target groups (handicapped, etc.)
 - ✓ Job orientation courses
 - ✓ Activation courses
 - ✓ Basic vocational training measures for youth
 - ✓ Further vocational training measures
 - ✓ Employment measures
 - ✓ Business formation programme
 - ✓ Qualification and flexibilisation counselling for businesses

Cooperation with providers (2)



➤ Procedure

- ✓ Thorough analysis of the labour market
- ✓ Design of measures according to the needs of the labour market and to the targets
- ✓ Tender (national, regional)
- ✓ Decision according to a points-based system (quality of the concept, quality of staff, gender mainstreaming, price)
- ✓ Quality assurance measures
- ✓ Monitoring of the results (integration of jobseekers into the labour market)
- ✓ Revision of the design accordingly

Cooperation with providers (3)



- Advantages of outsourcing active measures
 - ✓ PES can concentrate on its core business
 - ✓ PES must not provide staff and premises which might be used only for a few years
 - ✓ Competition among providers can produce better quality
- Problems with the current procedure of outsourcing
 - ✓ When price is weighted too high competition can produce low quality (low salaries for staff!)
 - ✓ The tendering intervals are too short: the local PES offices often have to become familiar with new partners (providers) which takes some time



Thank you for your attention!