CASE STUDY

Employment Policy in Spain
Preparatory Activities for Establishing Employment Priorities in Bosnia and Herzegovina

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Presentation outline

- Key facts on Spain
- Distribution of competences between the state and the 17 regions
- Spanish employment eco-system and governance structure
- Financing implementation of employment policies
- Monitoring & evaluation of employment policies, & employment system
- Recommendations for BIH for state-wide employment developments
Key facts on Spain

- Access to the European Economic Community in 1986
- Highly decentralised country with 17 regions
- 38.5 million inhabitants in 1986 and 47.3 million in 2020
- GDP per capita = 88% of EU average in 1995; = 93% in 2008; 88% in 2019
- Persistent unemployment and long-term unemployment rate (more than twice the EU-27 rates)
- Persistent duality between well protected permanent workers and less well protected fixed-term ones (26.4%)
- Higher than EU scores for a) early school leaving, b) those not in employment, education, training and c) youth unemployment rate
- Large regional differences
Distribution of competences between the state and the regions

<table>
<thead>
<tr>
<th>Central State</th>
<th>Autonomous Communities (Regions)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Competences on employment issues</strong></td>
<td><strong>Regions implement state-level employment legislation + manage Active Labour Market Policies</strong></td>
</tr>
</tbody>
</table>
| ➢ Exclusive competence in all that relates to “labour relationships”.
  ➢ a) One state-level Law for Employment, b) one Workers’ Charter, c) one Law of Trade Union Association Freedom. | ➢ Regions develop employment strategies aligned with their regional economic development strategies or plans (example of Murcia region) |
| ➢ Exclusive competence in passive policies        | ➢ Regions develop labour support activities, that coexist with central level institutions, such as regional Labour Councils, regional Social and Economic Council, etc. |
| ➢ Exclusive competence in private job placement   |                                                                        |
| ➢ Exclusive competences in migration             |                                                                        |
| ➢ Other supra-regional issues                     |                                                                        |
| **Competences on social protection issues**       | **Exclusive competence on social services. 17 laws**                  |
| ➢ Exclusive competence on social security legislation| ➢ Social services partly decentralised to local level                   |
| **Competences on education and health**           | **Further developing the state-level legislation and implementing it: 17 regional laws** |
| ➢ Basic legislation on education and health. One state-level law on health and on education |                                                                        |
Spanish Employment eco-system and governance structure

- **European Employment Strategy**
  - coordination between member states
  - employment guidelines,
  - National Reform Programmes and Country Specific Recommendations.

- **National Employment System**
  - set of structures, measures and actions to promote and develop the employment policy.

- **Governance**
  - Sectoral Conference for Employment and Labour Issues
  - General Council of the National Employment System.

- **Local authorities**
  - no competence for employment policies,
  - Contribution to local development (e.g. Cartagena).
Spanish Employment eco-system and governance structure

EUROPEAN EMPLOYMENT STRATEGY AND EUROPEAN SEMESTER
Spanish Presidency (Economic Office) elaborates annual National Reform Programmes and European Council issues Country Specific Recommendations
Discussed with regions

National Ministry for Employment + State Public Employment Service
ACTIVE EMPLOYMENT STRATEGIES / ANNUAL EMPLOYMENT POLICY PLANS
Common goals and indicators / Common Information System /
Common Services Portfolio / Single Employment portal
- Evades: Common monitoring and evaluation scheme and knowledge exchange

Regional Government Murcia
Murcia Regional Strategic Plan 2014-2020
Regional Ministry for Employment + PES
Murcia Quality Employment Strategy 2017-2020 with...
Common goals and indicators / Common Information System / Common Services Portfolio
...as in Active Employment Strategy and Annual Plans
Within own regional priorities

Local Council of Cartagena
Competence on Economic Development
Employment Strategy of Cartagena 2018-2020
Funding of employment policies

- Regional distribution of funds agreed by Sectoral Conference for Employment & Labour

Regional funding comes from:

1. European Social Fund, nation-wide and 19 regional ESF Operational Programs;
2. State Ministry for Employment (the State public employment service), includes employer contributions, worker contribution to training and unemployment benefits;
3. Funding from each region earmarked for active employment measures (ESF co-funding).
   - Majority of regional budgets for active employment measures come from State finance.
   - Since 2017 funding is results-oriented (indicators and weightings).
## Monitoring and evaluation of Active Employment Strategy and Annual Plans

### Set of quantitative agreed indicators. Linked to funding

#### (Selection of objectives and indicators)

<table>
<thead>
<tr>
<th>Active Employment Strategy 2017-2020 Objectives</th>
<th>Indicators 2019</th>
<th>Weightings 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Four key objectives</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Reduction of unemployment.</td>
<td>Reduction of unemployment</td>
<td>0%</td>
</tr>
<tr>
<td>4 Improvement of the degree of satisfaction of employers and jobseekers with the services provided by the PES.</td>
<td>Improvement of satisfaction of employers and jobseekers with services provided by PES</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Five open strategic or priority objectives (results)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Promote the activation and improvement of youth employability, with special attention to those with greater training deficiencies and risk of job insecurity, through instruments such as the Youth Guarantee and coordination with the educational system.</td>
<td>Promote activation and improvement of the employability of young people under 30 years of age, with special attention to those who have greater training deficiencies and risk of job insecurity, through instruments such as the Shock Plan for Young Employment (2019-2021), the Youth Guarantee and coordination with the educational system.</td>
<td>20%</td>
</tr>
<tr>
<td>E Address activation policies from a holistic perspective that takes into account their sectoral and local dimensions, and establishing collaboration frameworks with employers, social partners and other public and private agents.</td>
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<td>20%</td>
</tr>
<tr>
<td><strong>Structural objectives (performance)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Axe 1 Guidance</td>
<td>Individual diagnosis</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>Guidance and accompaniment</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>Management and coverage of vacancies</td>
<td>30%</td>
</tr>
<tr>
<td>Axe 6 Improvement of the institutional framework of the National Employment System</td>
<td>Performance evaluation of PES, according to PES-Network methodology</td>
<td>100%</td>
</tr>
</tbody>
</table>
Monitoring and evaluation of the system

• EVADES programme: evaluation of state and regional Public Employment Services
• Technical support of the European Network of Public Employment Services (PES-Network)

➢ Bench-learning model: seminars and exchange of knowledge with other European public employment services

➢ Programme for the exchange of good practice
  ➢ Mutual learning & sharing of good practices between state and regional public employment services
  ➢ 5 good practice seminars involving all public employment services 2018-2020
Recommendations for BiH to move forwards with state-wide employment developments

- Design and build state-wide employment system through engagement of regions.
  - This takes time, well-prepared staff and finance.
  - a change management process can help developments

- State-regional collaboration based on
  - shared objectives
  - reliable information
  - Common/complementary monitoring and evaluation systems
  - funding based on results

- Coordination and collaboration go together with sharing a common terminology spanning EU, national, regional and local levels

- European Employment Strategy & European Semester - key modernising employment governance arrangements.
  - BiH exchange of knowledge with other European public employment services
  - Exchange good practice between BiH regions as well as with neighbours