

CASE STUDY

Employment Policy in Spain

Preparatory Activities for Establishing Employment Priorities

in Bosnia and Herzegovina


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6 August 2020

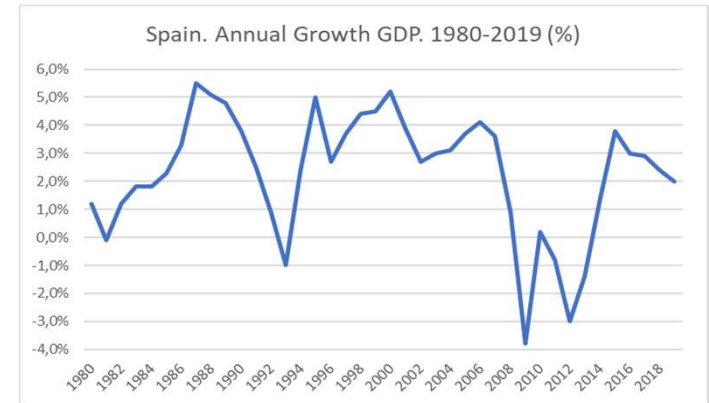


Presentation outline

- 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
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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

Central State	Autonomous Communities (Regions)
Competences on employment issues	
<ul style="list-style-type: none"> ➤ 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. ➤ Exclusive competence in passive policies ➤ Exclusive competence in private job placement ➤ Exclusive competences in migration ➤ Other supra-regional issues 	<ul style="list-style-type: none"> ➤ Regions implement state-level employment legislation + manage Active Labour Market Policies ➤ Regions develop employment strategies aligned with their regional economic development strategies or plans (example of Murcia region) ➤ Regions develop labour support activities, that coexist with central level institutions, such as regional Labour Councils, regional Social and Economic Council, etc.
Competences on social protection issues	
<ul style="list-style-type: none"> ➤ Exclusive competence on social security legislation 	<ul style="list-style-type: none"> ➤ Exclusive competence on social services. 17 laws ➤ Social services partly decentralised to local level
Competences on education and health	
<ul style="list-style-type: none"> ➤ Basic legislation on education and health. One state-level law on health and on education 	<ul style="list-style-type: none"> ➤ Further developing the state-level legislation and implementing it: 17 regional laws

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.
 - State Public Employment Service & 17 regional Public Employment Services.
- **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



Funding of employment policies

- Regional distribution of funds agreed by Sectoral Conference for Employment & Labour
- Compliance with a) Active Employment Strategy 2017-2020 & Annual Employment Policy Plans.

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)				
Active Employment Strategy 2017-2020 Objectives		Indicators 2019	Weightings 2019	
Four key objectives				
1	Reduction of unemployment.	Reduction of unemployment	0%	0%
4	Improvement of the degree of satisfaction of employers and jobseekers with the services provided by the PES.	Improvement of satisfaction of employers and jobseekers with services provided by PES	0%	
Five open strategic or priority objectives (results)				
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.	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.	20%	50%
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.	Address activation policies from a holistic perspective that take into account their sectoral and local dimensions, establishing collaboration frameworks with employers, social partners and other public and private agents.	20%	
Structural objectives (performance)				
Axe 1	Guidance	Individual diagnosis	35%	25%
		Guidance and accompaniment	35%	
		Management and coverage of vacancies	30%	
Axe 6	Improvement of the institutional framework of the National Employment System	Performance evaluation of PES, according to PES-Network methodology	100%	15%

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