

# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL

REPORT 2011-2015



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## ***Goal:***

Following the first signs of economic recovery and the decrease of unemployment, our aim was to gather data on the ALMP results between 2011 and 2015 to improve and adapt the main active labour market policies and/or the creation of new measures to improve the overall framework and support labour market access.



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Studies carried out in recent years:*

- i. Highlight the importance of strengthening the link between active labour market policies and passive employment measures;
- ii. ALMP are more effective during economic recessions, with more effective measures for short-term solutions (e.g. hiring support) and others for long-term solutions (e.g. vocational training);
- iii. *Measures focusing on developing human capital produce positive results in reducing the lack of skills on the labour market.*

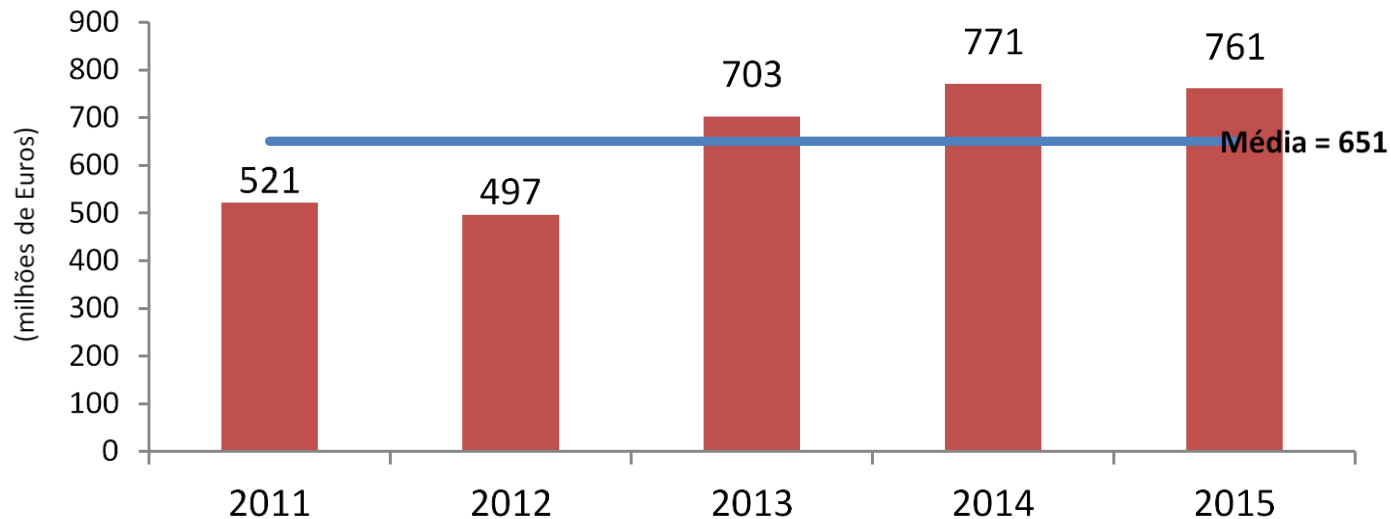


# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Main results of the fiscal and financial measures:*

- During this period, average expenditure was €651 million per year for ALMP, despite registering marked annual variations. Between 2011 and 2015, the total number of people benefitting from ALMP **grew by 45.1%**

Despesa com PAMT (2011 – 2015)

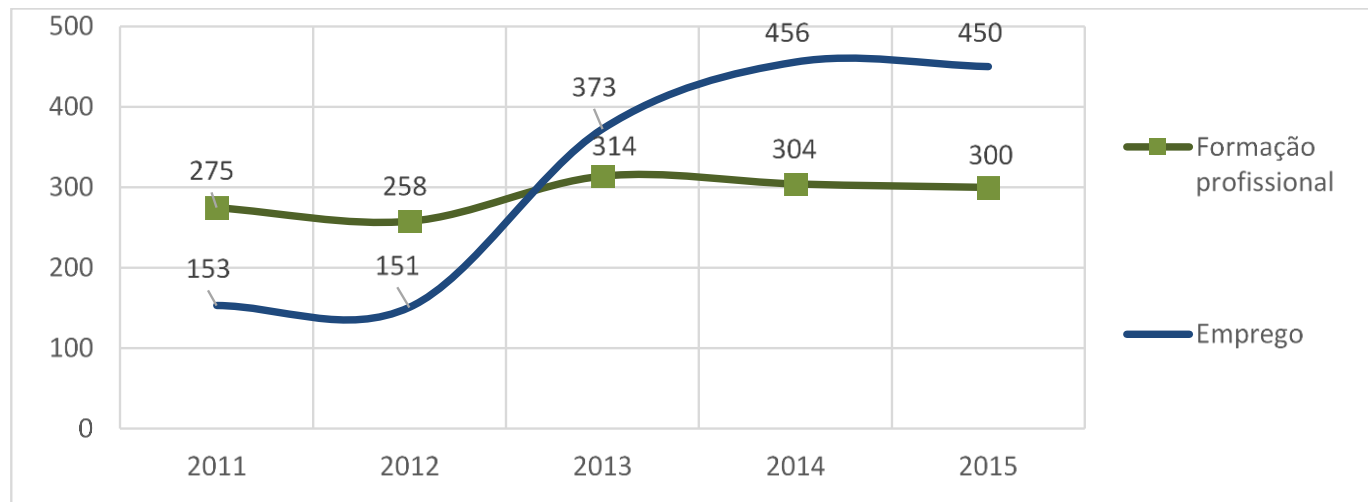


# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Main conclusions (cont.):*

- The increase registered between 2011 and 2015 was due to the strong increase in ALMP, which tripled between 2012 and 2014, from figures slightly above €150 million to figures slightly above €450 million the following year.

Pagamentos efetuados com programas de formação e emprego (M€)



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Main conclusions (cont.):*

- Sustainable conditions underpinning this level of implementation were not safeguarded that allowed to maintain this strategy in the short- and medium-term, specifically in the framework of the 2020 European funds

Comparação das dotações no QREN e no Portugal2020, por tipo de medida (M€)

	PT 2020		QREN		IEFP/QREN		Défice PT2020 - QREN	
	DPT	FSE	DPT	FSE	DPT	FSE	DPT	FSE
<b>FORMAÇÃO PROFISSIONAL</b>	1 314	1 099	3 673	2 618	1 428	1 012	-2 359	-1 519
<b>APOIOS AO EMPREGO</b>	679	577	772	540	768	537	-93	37
<b>TOTAL</b>	<b>1 993</b>	<b>1 676</b>	<b>4 445</b>	<b>3 158</b>	<b>2 196</b>	<b>1 550</b>	<b>-2 452</b>	<b>-1 482</b>



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Main conclusions (cont.):*

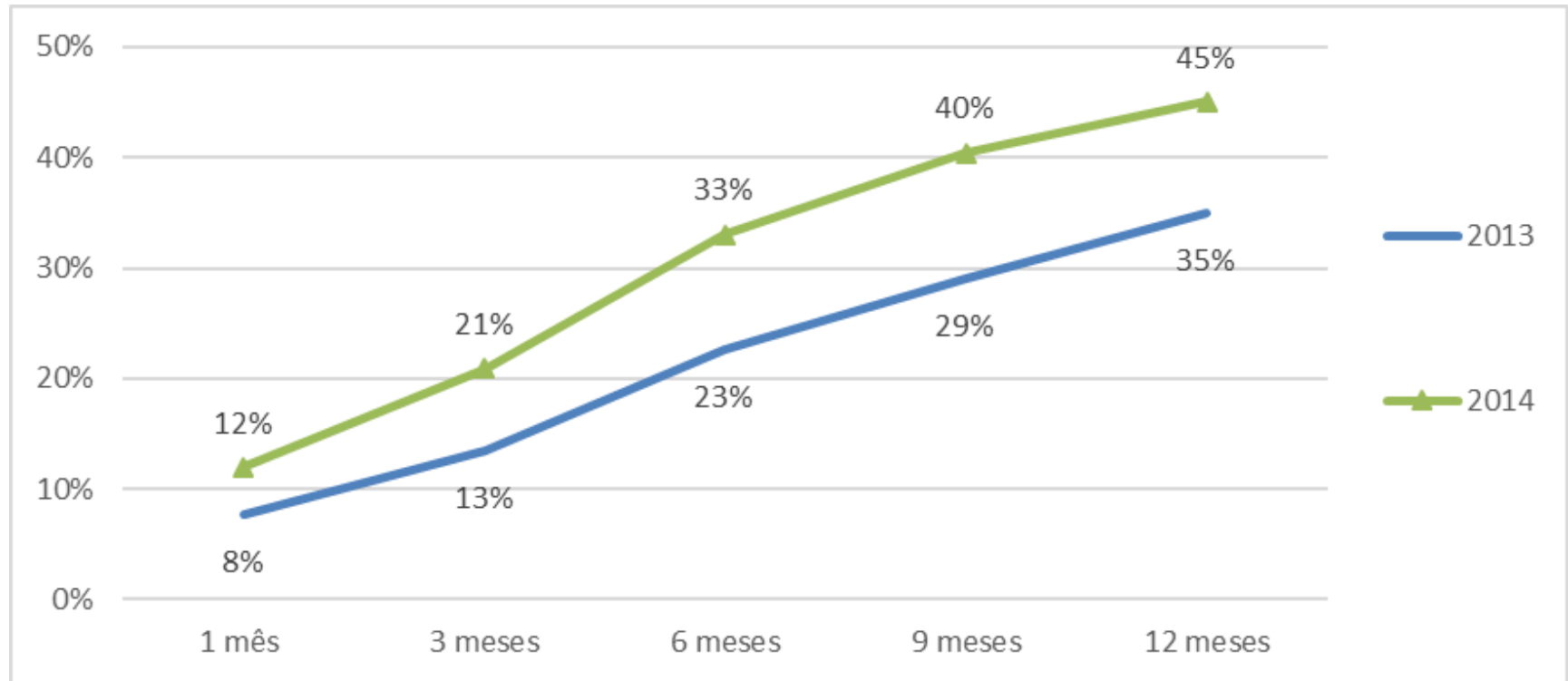
### ALMP and **employability**:

- In regards to **vocational training**, there is a difference between employability rates associated with short-term measures (Vida Ativa) and longer-term measures (training courses): employability levels of training courses in the 12 months following participation reach figures close to 50%, while the employability rate for participants in Vida Ativa is approximately 30,5%.



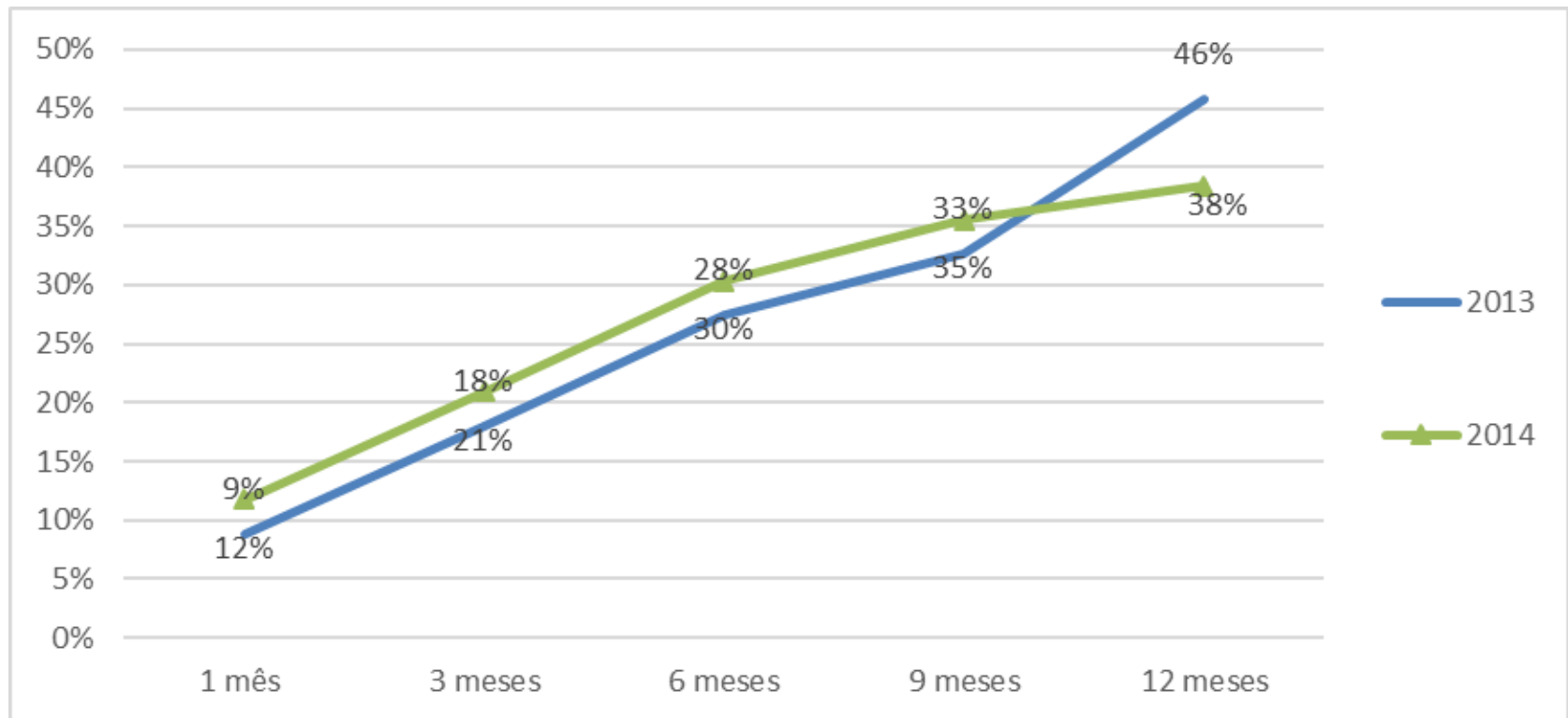
# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Training stream*



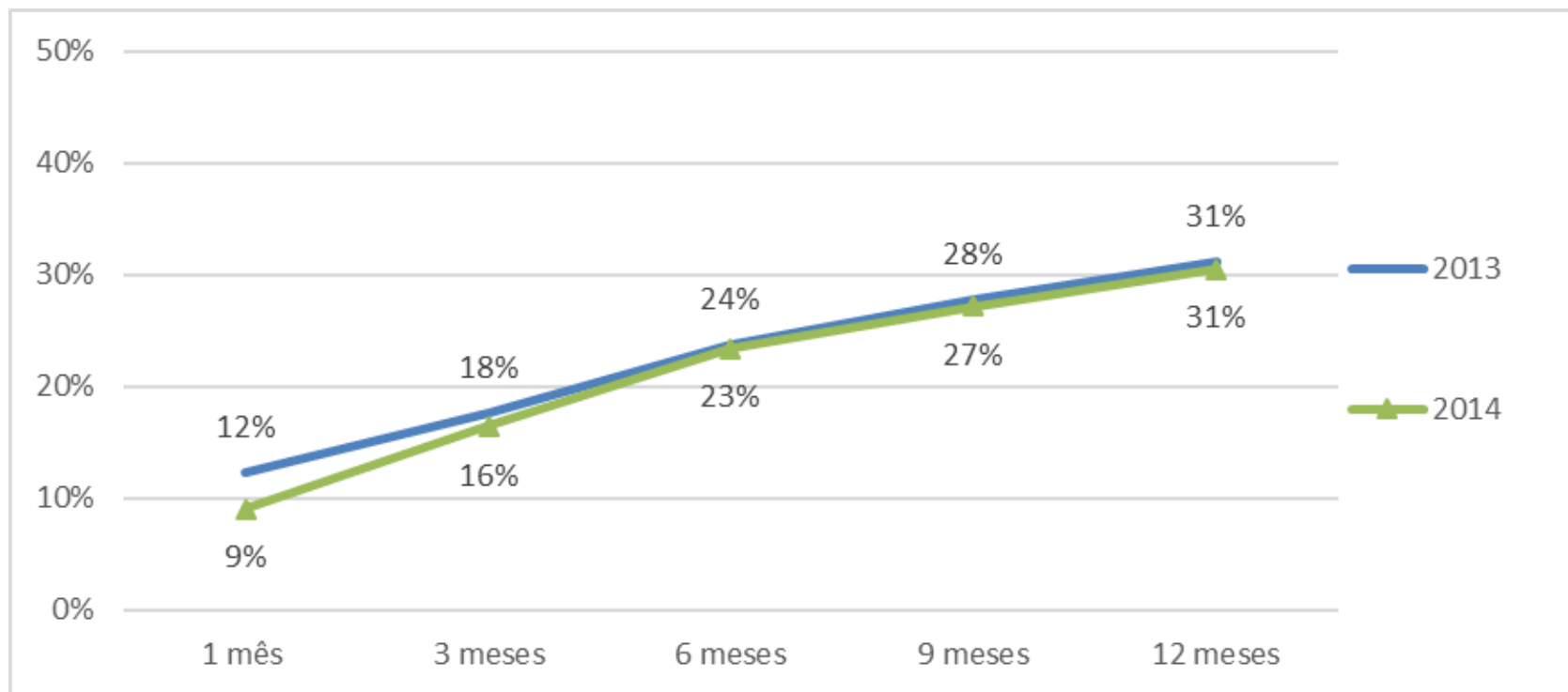
# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Training courses for adults*



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Vida Ativa*



Medida	Empregabilidade -2014				
	1 mês	3 meses	6 meses	9 meses	12 meses
					n.d.
Aprendizagem	12,0	20,8	33,0	40,1	
EFA Jovens	12,3	21,2	30,8	34,5	
EFA Adultos	11,7	20,8	30,2	35,3	
Formação Modular	18,0	24,2	30,0	33,1	
Outras medidas	14,1	17,0	19,5	20,6	

Different modalities...

Age matters...

Grupo etário	n.d.			
< 30 anos	18,7	28,1	37,1	42,0
>=30 anos	16,7	22,2	27,5	30,2

Grupo de habilitações	n.d.			
<1º Ciclo	5,7	7,8	9,7	11,0
1º Ciclo	10,2	13,9	16,7	18,0
2º Ciclo	14,4	19,9	25,0	27,1
3º Ciclo	17,6	24,1	30,3	33,6
Secundário	19,1	26,7	33,8	38,0
Superior	23,4	31,6	40,3	45,2

As does the level of education...



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Main conclusions (cont.):*

- **Employment measures** have the direct goal to promote employability by promoting access to the labour market. We have registered how, barring the ‘Employment Support Contracts (Contratos Emprego- Inserção (CEI) , employability levels resulting from employment activities are, as one would expect, higher than those in training measures.



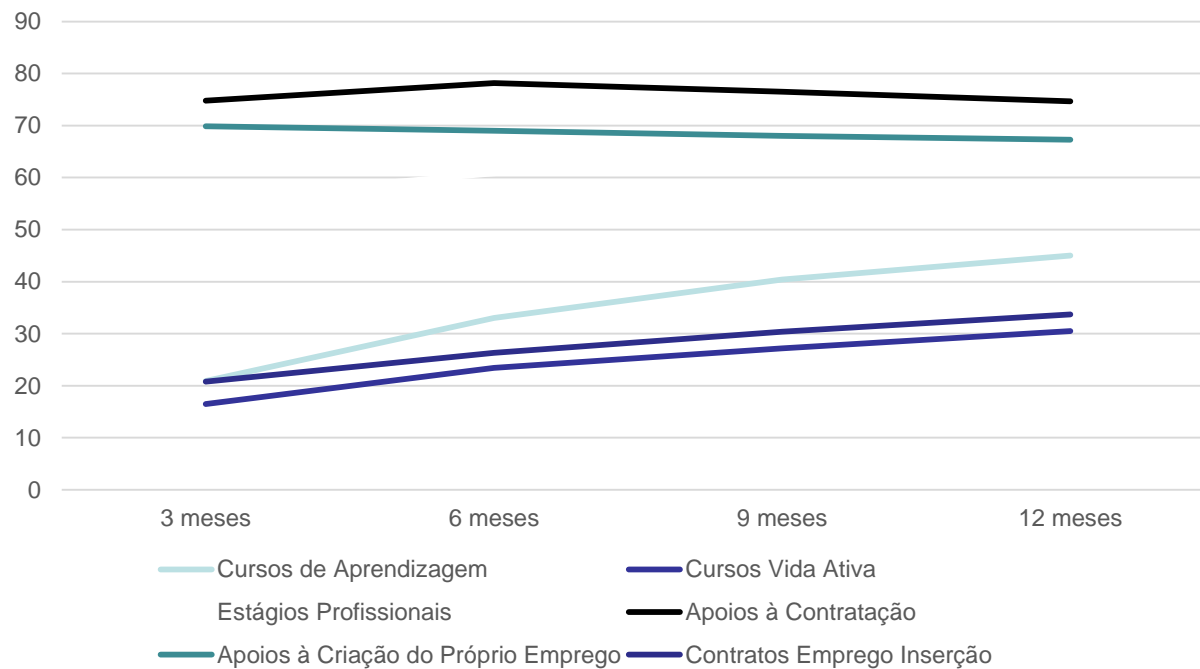
# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## Empregabilidade bruta das PAMT

	<i>Empregabilidade direta (12 meses)</i>		<i>Empregabilidade geral (12 meses)</i>	
	<b>2013</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>
Cursos de Aprendizagem	N.A.		35%	45%
Medida Vida Ativa	N.A.		31,2%	30,5%
Cursos de Educação e Formação de Adultos	N.A.		45,8%	38,4%
Estágios (1)	43,3%	40,1%	67,9%	67,1%
Apoios à Criação do Próprio Emprego	N.A.		N.D.	67,3%
Contratos Emprego-Inserção	9,1%	8,5%	32,8%	33,7%
Apoios à Contratação (2)	43,9%	53,8%	70,6%	74,7%



## Employability levels: first impression



## Employability levels: second impression (12 months)

---

<b>Estágios</b>	Bruta	Real
Geral	67%	38%
Direta	40%	16%

<b>Apoios à Contratação</b>	Bruta	Real
Geral	75%	64%
Direta	54%	45%



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## Main conclusions (cont.):

- In support hiring, gross employability of participants is between 70 and 75% in the 12 months after the end of the support.

	2014				
	1 mês	3 meses	6 meses	9 meses	12 meses
<b>Empregabilidade geral</b>					
<i>Empregabilidade bruta</i>	76,2%	75,7%	78,5%	76,7%	75,1%
<i>Empregabilidade real</i>	64,6%	64,2%	67,1%	65,6%	64,1%
<b>Empregabilidade direta</b>					
<i>Empregabilidade bruta</i>	68,4%	65,2%	63,5%	58,2%	54,5%
<i>Empregabilidade real</i>	58,1%	55,2%	54,0%	49,1%	45,8%
	2013				
	1 mês	3 meses	6 meses	9 meses	12 meses
<b>Empregabilidade geral</b>					
<i>Empregabilidade bruta</i>	70,3%	70,2%	74,5%	72,4%	69,4%
<i>Empregabilidade real</i>	69,8%	69,8%	73,5%	71,0%	68,0%
<b>Empregabilidade direta</b>					
<i>Empregabilidade bruta</i>	61,6%	59,0%	58,9%	53,3%	49,4%
<i>Empregabilidade real</i>	61,3%	58,8%	58,3%	52,6%	48,7%



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## Main conclusions (cont.):

- Only 21.8% (2013) to 28.9% (2014) of workers with support hiring had permanent contracts 12 months after the end of the support..

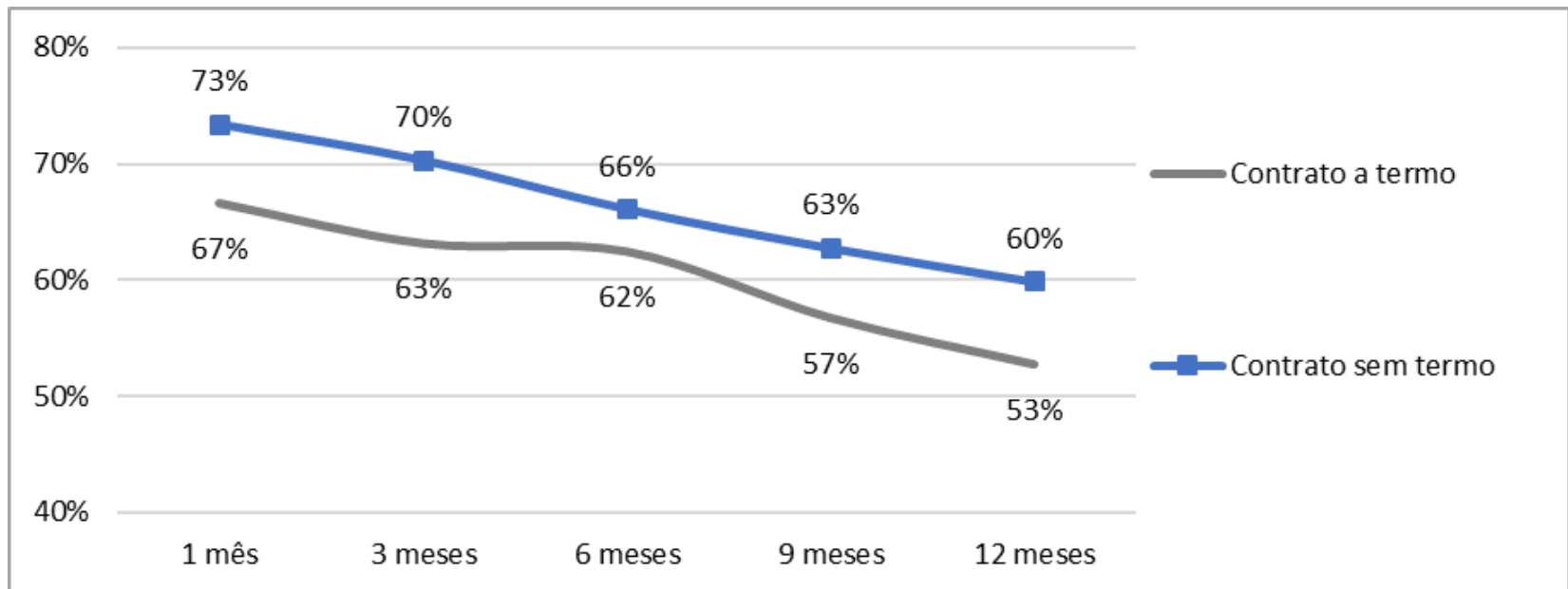
	Contratos aprovados (n.º)				Montantes aprovados (M€)			
	Sem termo	Termo certo		Total	Sem termo	Termo certo		Total
		< 12 meses	≥ 12 meses			< 12 meses	≥ 12 meses	
2013	9214 (40%)	10757	2921	22 892 (100%)	56,2 (68%)	20,5	6	82,7 (100%)
		13 678 (59,8%)				26,5 (32%)		
2014	18882 (53%)	12709	4231	35 822 (100%)	117,6 (78,4%)	23,2	9,2	150 (100%)
		16 940 (47,3%)				32,4 (21,6%)		
2015	32659 (60%)	11760	10178	54 597 (100%)	183,6 (81,6%)	15,6	25,8	225 (100%)
		21 938 (40,2%)				41,4 (18,4%)		
TOTAL	60755 (53,6%)	35226	17330	113 311 (100%)	357,4 (78,1%)	59,3	41,0	457,7 (100%)
		52556 (46,4%)				100,3 (21,9%)		



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

## *Main conclusions (cont.):*

- Employability of the support hiring programmes varies in function of the type of contract when the application was approved.



# ACTIVE LABOUR MARKET POLICIES IN PORTUGAL (ALMP)

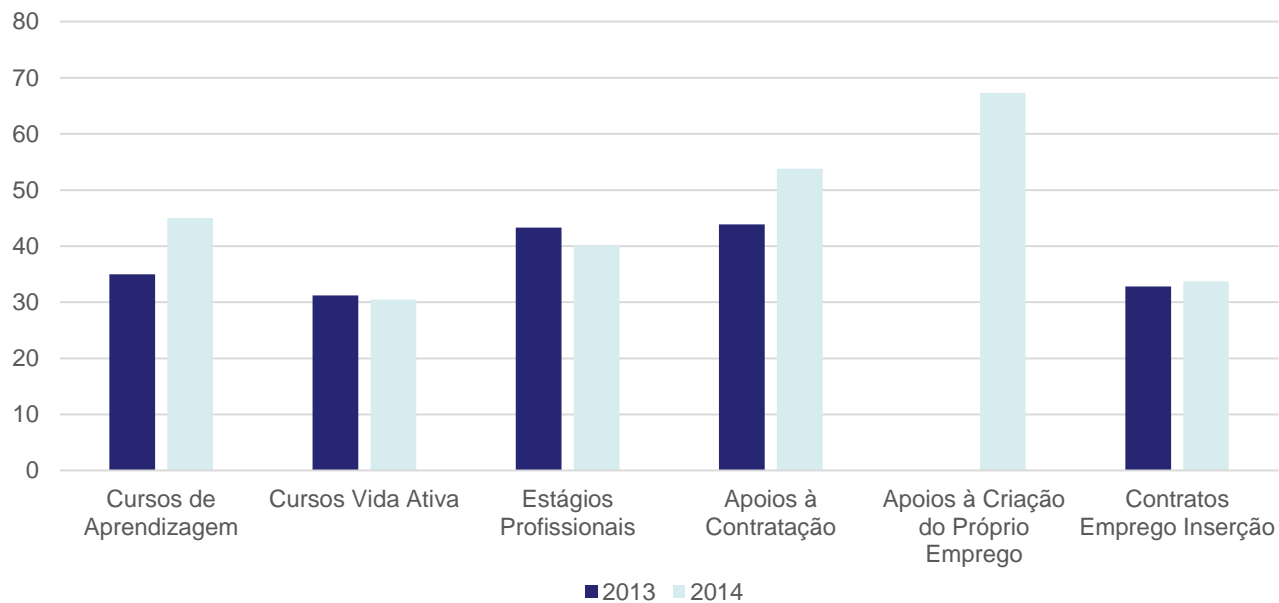
## *Main conclusions (cont.):*

- As far internships are concerned, it is important to remember that 2/3 of the hiring practices in the companies hosting the internship were due to support hiring.

	2014				
	1 mês	3 meses	6 meses	9 meses	12 meses
<b>Empregabilidade geral</b>					
<i>Empregabilidade bruta</i>	47,2%	56,1%	61,9%	64,9%	67,2%
<i>Empregabilidade real</i>	23,6%	26,8%	29,2%	35,7%	38,3%
<b>Empregabilidade direta</b>					
<i>Empregabilidade bruta</i>	39,4%	43,6%	43,9%	41,8%	40,2%
<i>Empregabilidade real</i>	17,4%	16,9%	15,2%	17,2%	16,1%
	2013				
	1 mês	3 meses	6 meses	9 meses	12 meses
<b>Empregabilidade geral</b>					
<i>Empregabilidade bruta</i>	49,5%	60,9%	66,4%	66,4%	67,9%
<i>Empregabilidade real</i>	26,3%	29,8%	31,9%	38,8%	40,8%
<b>Empregabilidade direta</b>					
<i>Empregabilidade bruta</i>	41,7%	48,4%	49,5%	45,3%	43,3%
<i>Empregabilidade real</i>	19,9%	19,8%	18,3%	21,2%	20,1%



## Employability without support



## What now?

---

Favour open-ended contracts

Limit accruing of support measures

Define prior funds for tenders and grants

Employment Bonus

...

