

EMPLOYMENT PROMOTION – THE SPANISH REGIONAL EXPERIENCE

Daniel Martin Gonzales Spain

EMPLOYMENT PROMOTION. THE SPANISH REGIONAL EXPERIENCE

The employment policy is defined in Spain as the set of decisions adopted by the State and the Autonomous Communities (Regions) whose purpose is to develop programmes and measures aimed at:

- Achieving full, as well as quality employment
- Quantitative and qualitative suitability of the supply and demand for employment
- Reducing situations of unemployment and
- The appropriate protection in situations of unemployment.

The employment policy is contained within the general guidelines of economic policy, in the area of the European Union's coordinated strategy for employment.

GENERAL OBJECTIVES OF THE EMPLOYMENT POLICY ARE:

- a) To guarantee effective equality of opportunity and non-discrimination in accessing employment, as well as free choice of professions or occupations without any prevailing discrimination.
- b) To maintain an efficient system of protection against situations of unemployment, including active employment policies and unemployment benefits, while ensuring coordination between them.
- c) To adopt a preventive approach to unemployment, especially long-term unemployment, providing individualised attention to the jobless.
- d) To ensure suitable work integration policies aimed at those groups with most difficulties in gaining access to employment, especially young people, women, the disabled and long-term unemployed workers aged over 45.
- e) To maintain the unity of the labour market in Spain, taking into account the specific and diverse characteristics of the different regions and endeavouring to correct territorial and social imbalances.
- f) To ensure the free movement of workers and facilitate the geographical mobility, both on the state level and on the European level, of those wishing to relocate for employment reasons.
- g) To coordinate organisation considering the internal and external migratory phenomenon, in collaboration with the Regions.

PLANNING AND EXECUTION OF THE EMPLOYMENT POLICY.

On the national competence level, it falls to the Government, through the Ministry of Labour, to coordinate the employment policy.

Similarly, it is up to the Government to approve legislative decree projects and to draw up and approve the legislative provisions concerning merchandising and placement in the labour market, to encourage employment, protect against unemployment, provide continued vocational occupational training on the state level, and implement this activity.

In any case, the management and control of unemployment benefits is the Government's responsibility.

It is up to the Autonomous Communities in their territorial spheres to develop the employment policy, the job-creating measures and the execution of labour-related legislation, as well as the schemes and measures that have been transferred to them.

The national Action Plans for employment are drawn up by the Government with the participation of the Regions, and are defined in accordance with the European Employment Strategy, becoming an essential instrument in planning employment policy. The participation of the most representative business and union organisations is also important.

The Autonomous Communities, in their respective territorial spheres, establish their employment schemes in accordance with the obligations stipulated by the European Employment Strategy, through the national Action Plans for employment.

THE LOCAL DIMENSION OF EMPLOYMENT POLICY.

In accordance with what is established in the European Employment Strategy, the design and management model of these employment policies should take into account their local dimension, in order to adjust them to the needs of the territory, in such a way as to encourage and support the job-creating initiatives on the local scale.

The Public Employment Services of the Autonomous Communities must establish the appropriate mechanisms of collaboration and, in the

event, of participation with the local corporations for executing the schemes and measures of the active employment policies.

THE NATIONAL EMPLOYMENT SYSTEM

The National Employment System includes the State Public Employment Service and the Public Employment Services of the Autonomous Communities.

The National Employment System must ensure that the following targets are met:

- a) To generate employment and support the creation of jobs, especially those aimed at people with the greatest difficulty in entering the job market.
- b) To offer a free, public employment service to workers and employers, capable of finding job offers in the labour marketplace, based on effective, quality attention with a view to progressively increasing its labour merchandising rates.
- c) To provide the information necessary for jobseekers to find a job or improve their occupational possibilities, and for employers to engage the right workers for their needs.
- d) To ensure that the public employment services apply the active policies according to the principles of equality and non-discrimination, and promote the correction of any territorial imbalance.
- e) To guarantee the application of active employment policies and protective action against unemployment.
- f) To ensure the unity of the labour market throughout Spanish territory and its integration into the single European market, as well as the free movement of workers.
- g) To boost the cooperation between the public employment service and businesses in the active policies and professional qualification actions which they perform and which may be effective in assisting entry to the labour market.

The coordination of the National Employment System is handled through the following instruments:

- a) The National Action Plan for Employment.
- b) The Annual Work Programme of the National Employment System.
- c) The Information System of the Public Employment Services.

The organisation and operation of the National Employment System is based on the following principles:

1. The participation of the most representative business and union organisations in the State Public Employment Service and in the Public Employment Services of the Autonomous Communities.
2. Transparency in the operation of the labour market and establishment of the policies necessary to ensure the free movement of workers for employment or training purposes, considering the following as essential elements to guarantee this principle:
 - a) Integration, compatibility and coordination of the information systems. The State Public Employment Service and the Public Employment Services of the Regions use and maintain a common information system organised around an integrated, compatible computerised structure. This allows the functions of labour merchandising without territorial barriers, an unemployment registry, common statistics, communication of the content of contracts and the monitoring and control of the use of State or European funds for their justification to be conducted properly.
 - b) The existence of a common site on an electronic data transmission network to inform citizens of the available job offers, employment demands and training opportunities all over Spain, as well as in the rest of the countries in the European Economic Area.

ACTIVE EMPLOYMENT POLICIES

By active employment policies, what is meant is the set of schemes and measures in careers counselling, employment and training intended to improve the unemployed worker's chances of finding employment, whether self-employed or as an employee, and adapting workers' training and rehabilitation for employment, in addition to others aimed at encouraging the entrepreneurial spirit and social economy.

These policies are in force all over Spain, taking into account the European Employment Strategy, the needs of job-seekers and the requirements of the respective job markets.

These policies will be complemented and linked to protection against unemployment.

The preventive approach of the active employment policies.

In accordance with the guidelines derived from the European Employment Strategy, in which the preventive treatment of long-term unemployment situations is established, and in line with the regulations governing the structural funds of the European Union, the Public Employment Services gear their operations to facilitating new opportunities for incorporating the unemployed into the job market before their situation becomes one of long-term unemployment.

The services and active policies in favour of the unemployed are arranged into an individualised itinerary for labour integration by the public employment services, in collaboration with the job seeker in accordance with his/her professional and personal circumstances.

Jobseekers must participate, according to their individualised itineraries of labour integration, in the active employment policies with a view to improving their chances of getting a job.

The schemes and measures that make up the active employment policies are positioned and arranged via proceedings which pursue the following objectives:

- a) To inform and advise in the active search for employment.
- b) To develop adequate on-going vocational training schemes for the work.
- c) To facilitate professional practice.
- d) To create and stimulate employment, especially high quality, stable employment.
- e) To encourage self-employment, the social economy and the development of small and medium-sized companies.
- f) To facilitate the creation of activity that generates employment.
- g) To facilitate geographic mobility.
- h) To promote policies aimed at integration into the labour market of people in a situation or at risk of social exclusion.

The design of these policies must take into account the objective of equal treatment between men and women, in order to guarantee in practice full equality between the sexes, as well as the objective of guaranteeing equal opportunities and non-discrimination.

Priority groups

The Government and the Autonomous Communities will adopt specific programmes aimed at fomenting the employment of those with special difficulties when it comes to participating in the labour market, especially youngsters, women, long-term unemployed aged over 45, the disabled and immigrants.

Considering the special circumstances of these collectives, the Public Employment Services must ensure the design of integration itineraries that combine the different measures and policies, appropriately arranged and adjusted to the professional profile of these jobless people and their specific needs.

Coordination between active policies and economic protection against unemployment

The registration of receivers of benefits as jobseekers and their participation in the active employment policies.

Applicants and receivers of unemployment benefits must register and maintain their registration as jobseekers in the public employment service.

Registration as a job seeker must be approached with full disposition to accept an adequate offer of placement.

The public Administrations in charge of managing the active policies must ensure the active employment policies are applied to the beneficiaries.

The beneficiaries registered in the Public Employment Services must participate in the active employment policies specified in the integration itinerary. The competent public Administrations must verify the fulfilment of beneficiaries' obligations as jobseekers and communicate any failure to meet those obligations to the State Public Employment Service, as soon as it is detected.

Active policies co financed with funds from the European Union.

The programmes co financed with funds from the European Union can be identified in the distribution of funds to be administered by the Autonomous Communities.

When the active policies are co financed with funds from the European Union, the Autonomous Communities which have pledged to administer them also take the financial responsibility derived from meeting the requirements quoted in the applicable community legislation.

Autonomous funding of the active employment policies

The active policies developed by the Autonomous Communities whose funding does not fall to the State Public Employment Service are financed through corresponding items established in the Regions' budgets, and through participation in the funds from the European Union.

MURCIA'S REGIONAL EMPLOYMENT AND TRAINING SERVICE

This is the public employment service of the Region of Murcia in charge of designing, planning, carrying out and coordinating the active employment policies as well as the training of workers.

Its activities focus mainly on the following aspects:

- Registration of jobseekers.
- Registration of employment offers.
- Labour merchandising.
- Counselling and training of workers.
- Measures to create employment.

The purpose of these activities is to favour the inclusion of workers in the labour market, fundamentally through measures to boost new contracts and self-employment; also, actions to improve workers' employability with training schemes, counselling and mixed sandwich in-service training programmes.

In order to achieve the integration of the unemployed in the labour market, an integral tool is used: Customised integration itineraries: People who cannot easily be employed because they lack one of the two basic requirements (employability or availability) are referred to a personal tutor who agrees on a labour integration itinerary with the workers. This itinerary is one route, a series of planned actions that combine different procedures which disperse any limitations the worker might have for accessing employment and eventually achieve labour integration. Depending on the worker's limitations, the design of this itinerary varies in content, which may include:

- Labour counselling.
- Drawing up a résumé.
- How to approach a job interview.
- Training itineraries.
- Measures to promote employment or in-service training actions.

Below, we analyse the measures to promote employment developed from the Regional Employment and Training Service.

- Renew periodically their application in the dates previously specified.
- Report personally in the Office of the Service when they are appointed to do so.
- Inform the Employment Office on the result of an interview with the company to which they have been sent.
- Inform the Employment Office of any changes with respect to their professional characteristics (Attending courses, getting awarded diplomas and so on).

Jobseekers will obtain the following services, free of charge:

- Inscription and registration as jobseekers.
- Management of employment offers.
- Information concerning Employment Promotion Measures (self-employment, co-operatives, working co-operatives, different kinds of contracts, and so on)
- Information concerning vocational and professional training.
- Information on and processing of unemployment benefits.
- Information and processing, if relevant of Labour Market Insertion Income.
- Professional advice.
- Professional grading, by means of theoretical and practical professional tests, and analysis if relevant of the training needs.
- Job offers from other countries of the European Union, as well as their processing

EMPLOYMENT PROMOTION MEASURES IN MURCIA REGION

Below, we analyse the measures to promote employment developed from the Regional Employment and Training Service.

They can be divided into six main courses of action:

1. Recruitment incentives.
2. Measures in favour of the engagement of disabled persons and collectives in danger of exclusion.
3. Policies for stimulating local development.
4. Workshop school and employment workshops.
5. Measures for conciliation of personal and family life.
6. Programmes aimed at young people and other collectives.

We shall analyse each one of these:

1. Recruitment incentives.

a) Recruitment of employed persons

There are two modes of subsidy for the recruitment of workers:

- Open-ended recruitment from the outset of unemployed persons and workers belonging to certain collectives
- Transformation of fixed-term contracts into open-ended contracts.

Only the open-ended, full-time or part-time recruitment of the following collectives of unemployed workers will be eligible for subsidy:

- Women.
- Men at risk of social exclusion or belonging to a collective included in some Regional Administration Initiative or Plan for promoting employment which considers the possibility, or men who have participated successfully in a Workshop School or Employment Workshop programme, provided less than twelve months have passed since it ended.
- Men aged under 30.
- Men aged 45 or over.
- Men aged 30 or over who have been on the lists of their Employment Office for 12 months or more with no interruptions.
- University graduates when they are hired by companies in the industrial sector to perform tasks that match their training and in professional categories matching their degrees.

The subsidies for small and medium-sized companies vary between 5,400 and 9,000 euros for open-ended recruitment from the outset, and between 2,700 and 3,000 euros for turning temporary contracts into open-ended contracts, depending on the personal characteristics of the unemployed

b) Self-employment subsidies

A non-refundable subsidy for jobless persons who set up as self-employed workers, with a tax domicile and facility in the Region of Murcia.

The subsidies vary between 6,000 and 9,900 euros, depending on the personal characteristics of the jobless persons

These self-employment subsidies are compatible with these jobless persons collecting their unemployment benefit in a lump sum if they intend permanently to join a co-operative or labour society as working partners, provided that they have previously not been linked by contract with the mentioned societies for a period of over twenty four months, or have founded them, or if the mentioned beneficiaries intend to become self-employed workers and are handicapped persons with an acknowledged degree of disability of 33 per cent or more.

2. Measures in favour of the engagement of disabled persons and collectives in danger of exclusion.

a) Special employment centres for disabled persons

These are entities whose main objective is to perform productive tasks for the purpose of guaranteeing remunerated employment and rendering the services required by their disabled workers, this representing a means of integrating the disabled into a normal work routine.

The financial support given to these centres includes:

- 100% credit of the company's Social Security quota for each contract
- Subsidy of the wage cost associated with the job occupied by the disabled person to the amount of 50% of the minimum guaranteed interprofessional wage. In the case of a part-time job contract, this subsidy will be reduced in the same proportion as the number of hours worked.
- Subsidies for adapting workplaces and eliminating architectural barriers to the amount of no more than 1,800 euros per work station

b) Supported employment & professional orientation units for disabled people

These are actions based on employment search techniques, labour counselling, accompaniment and employment aid, which aim to support their rehabilitation in standard companies.

These subsidies are for non-profit organisations which promote employment for the disabled and for private companies which engage personnel with disabilities.

c) Incentives for the recruitment of disabled persons

The purpose of these is to provide incentives for the open-ended recruitment of disabled workers by companies in the ordinary labour market.

They are aimed at companies with a facility in the Region of Murcia. Companies must apply for workers from the Employment Office using the relevant Offer of Employment. The job must suit the worker's particular disability and must be maintained for a minimum of three years.

The subsidies vary in amount between 3,900 and 7,800 euros and another subsidy provides an annual reduction in the contribution to the Social Security of between 4,500 and 6,300 euros per contract

In order to achieve the integration of the disabled in the work routine, there are subsidies for their temporary recruitment (between 1 and 3 years). The subsidies for companies vary in amount between 2,400 and 3,400 euros per contract and an annual reduction in the contribution to the Social Security of between 3,500 and 5,300 euros per contract

3. Local Development and Employment Programmes

Local Development Agencies

These are Entities depending on Town Councils in the Region of Murcia which are devoted to tasks such as the merchandising, promotion and support of the economic development of their town.

Operating expenses are subsidised.

Local Development Centres

These are Entities depending on Town Councils in the Region of Murcia for coordinating and integrating actions aimed at promoting employment and the social economy.

The creation or refurbishment of buildings is subsidised.

Local Development Employment Agents

These are professionals hired by the Town Councils to conduct counselling tasks and to intervene as merchandisers to generate employment.

80% of the labour costs of the agents is subsidised.

Local Employment Programmes for Town Councils

These involve the recruitment of unemployed workers by the Local Entities for works and services of general and social interest.

The wage costs of these unemployed persons are subsidised.

I+E (Initiative + Company) Rated Companies Programmes

Subsidies for business projects promoted by a Local Corporation of the Region of Murcia or by the Autonomous Community of the Region of Murcia, in order to develop economic activity and create jobs.

Prior to applying for the different subsidies, the business project must have been rated I+E by the Regional Employment and Training Service.

Financial subsidy to reduce the interest on loans for investments in creating and setting up I+E rated companies. Subsidy in support of the managerial function to assist the advocate or entrepreneur in taking the necessary decisions for the proper functioning of the company. Subsidy of the technical assistance for the hiring of highly-qualified technical experts covered via open-ended contract. The I+E rated companies which extend open-ended contracts to unemployed workers will be eligible for a subsidy of 4,800 € for each full-time contract,

or the proportional amount of this sum for part-time contracts.

Rural development initiatives.

Temporary recruitment of unemployed workers for works and services of general and social interest.

The purpose is to combat agricultural unemployment by guaranteeing a complementary income through the distribution of the available employment and helping to provide those workers in emerging activities in the agricultural sector with access to employment by implementing a series of actions which also help to highlight and develop the more depressed rural areas in the Region of Murcia.

4. Workshop school and employment workshops.

These are mixed employment and training schemes run by Town Councils and non-profit Associations.

Workshop-Schools

Young under 25 years of age

The projects include two stages:

- In the first stage, the students will receive vocational and occupational training.
- In the second stage of the project, the student workers will complete their training, alternating work and professional practise. During this stage the student workers will be contracted by the promotion entities within the module of the contract for training.
- During the first stage (training): The students who take part in these programmes, will have the right to receive an allowance of 6.01 € per day for attending classes. Receiving this grant will be incompatible with benefits or subsidies related to unemployment benefit and with working either as an employee or in self-employment.
- During the second stage (training combined with work practise): The student workers will receive the wages for which they are eligible, in accordance with what is laid down in the regulation presently in force, which normally will be 75% of the inter-professional minimum wage, which is established on a yearly basis.

The duration of these stages will not be less than a year, nor more than two.

Employment Workshops Programme

It is a mixed programme, which combines actions of training for employment, addressed to jobseekers aged 25 years or more, in activities related to new areas of employment of general and social interest, promoted by public or private non-profit-making organisations.

The aim is to enable unemployed workers aged twenty-five years or more, to take part in carrying out works or services of general public utility or social interest, with a proper job, and at the same time, receiving a professional and occupational training related to the job in question, which aims at them being able to get professional qualifications and encouraging their further integration in the labour market. During the period of development of the Workshop for Employment, the workers who take part will receive vocational training adjusted to the occupation to be performed in accordance with the training plan set out in the description of the project. This will alternate with work and professional practise.

On finishing their participation in the Workshop for Employment, the workers concerned will receive a certificate, issued by the promoting entity, in which the number of hours of their participation in the programme, as well as the skills acquired will be clearly stated, as well as the level of competence reached in the training modules followed.

With the aim of enabling the student workers to have access to the new technologies of computers and communication, all projects will include a module for acquiring computer literacy, amounting to at least thirty hours.

During the employment workshop, the workers will receive 150% of the minimum interprofessional wage and, in addition, their Social Security costs are subsidised.

5. Measures for conciliation of personal and family life

These are subsidy schemes aimed at people in employment, on the one hand, and self-employed workers and companies, on the other, in order to promote the conciliation of the working lives, family and personal lives of the workers in our Region:

Assistance for employed persons

1. To engage a third person to look after minors in their charge:

Purpose: To hire a third person to look after their own children, foster children in their care or wards, under the age of 8, who live with them and are in their charge.

Amount: 2.000,00 €.

2. For the reduction in working hours, to enable people to look after the minors in their charge.

Purpose: The reduction in working hours of working people, employees, working full-time, for them to look after their children or foster children in their care or their wards, under the age of 8, who live with them and are in their charge.

Amount: Between 300 € and 6,000 €, depending on the personal circumstances of the workers who reduce their working hours.

3. For extended leave of absence, to look after the minors in their charge.

Purpose: The enjoyment of an extended leave of absence for working people, employees, working full-time, for them to look after their children or foster children in their care or their wards, under the age of 8, who live with them and are in their charge.

Amount: Between 1,800 and 6,000 €.

Assistance for self-employed workers and companies

1. For the recruitment of an unemployed person to replace a self-employed worker during her maternity leave:

Purpose: The recruitment of an unemployed person to replace a self-employed worker during her leave for maternity, adoption or fostering.

Amount: Between 400 and 600 € per month, depending on the circumstances of the self-employed worker.

2. For the recruitment of unemployed persons to replace workers who obtain a reduction in their working hours or extended leave of absence to look after the minors in their charge:

Purpose: The recruitment by small and medium-sized companies, of unemployed persons to replace the full-time employees, who obtain the reduction in working hours or extended leave of absence, for them to look after their children or foster children in their care or their wards, under the age of 8, who live with them and are in their charge.

Amount: Between 1,200.00 and 3,360.00 €.

3. For the recruitment of persons to staff the nursery school or crèche services set up in a company, for the minors in their workers' charge, in one of two modes: Open-ended engagement, and maintenance of their jobs.

Purpose: The open-ended full-time engagement by small and medium-sized companies, of unemployed persons to staff the newly-set up nursery school or crèche services in a company, or the expansion of existing services, to look after the minors in the charge of the workers on their own payroll during their working day.

Amount: Between 5,000 and 10,000 € depending on the circumstances of the recruitment.

These schemes are financed exclusively with the Autonomous Community's own funds.

6. Programmes aimed at young people and other collectives.

Young Employment Cheque

For young people under 30

The young employment cheque makes the companies which extend an open-ended, full-time contract to a young person holding a young employment cheque eligible for an immediate, guaranteed subsidy of 6,000 €.

The "Young Employment Cheque" is the supporting document for the possible employer whereby, if it extends to the holder a full-time, open-ended contract, and provided all other requirements are met, the company is guaranteed immediate collection of the amount stipulated on the cheque.

The "Young Employment Cheque" is valid for four months from the date of issue. Once the cheque has expired, it is worthless and, if the holder is interested in renewing it, he or she must make a new application.

Wives of Farm Owners

For those women who render services on farms to join the Social Security system and benefit from the 30% State reduction in their contributions, there is a regional subsidy which extends this reduction by a further 20%.

Specific Plans for Sectors in Crisis

There are specific counselling, training and employment plans for sectors of the regional economy in crisis. These currently exist for the textile and footwear industries.