



**THE ROLE OF NATIONAL PESS  
IN PROCESSING  
JOB VACANCIES**

**FINAL REPORT**

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# 1 INTRODUCTION

## 1.1 BACKGROUND

In this report the results of the study into the role of national Public Employment Services (PESs) in processing job vacancies are presented. SEOR in Rotterdam has carried out the study for the Directorate General Employment and Social Affairs of the EC in the framework of the European PES Vacancy Monitor (EPVM) on which the PES Expert Group on vacancies and recruitment difficulties is working. The group is co-ordinated by the EC.

PESs have an intermediary role on the labour market. They try to facilitate the match between demand and supply. The demand side consists of employers with vacancies, whereas the supply side consists of unemployed and employed job seekers. Notification of vacancies to the PES and registration of vacancies by the PES may serve different objectives:

1. Information about vacancies may increase the transparency of the labour market and hence may facilitate a better match between demand and supply on the labour market.
2. It may contribute to the direct filling of vacancies by the PES.
3. It may contribute to the placement and reintegration of unemployed job seekers, especially those with a relatively weak labour market position.
4. It may contribute to an easier filling of hard-to-fill vacancies.

In most countries services for filling vacancies are a standard part of the activities of the PES. For several policy reasons it has become increasingly relevant to have a better comparative understanding of the profile of national PESs in the vacancy market and the way they are processing vacancies:

- The Commission Communication (1998/641) on “Modernising Public Employment Services to support the European Employment Strategy” calls upon PESs to strive for a substantial access to vacancies. Member States should create the right conditions for PESs to work more effectively in a market with a growing number of employment service providers. The aim should be to help them access a *sufficient* number of job vacancies, develop systematic case management procedures for all registered unemployed jobseekers, and play their part in the co-ordinated delivery of all public services to jobseekers with the ultimate aim of getting people back into work. The Joint Mission Statement of PESs of EU and EEA of November 1998 states that the PESs need to be centrally placed in the market dealing with a wide range of vacancies and obtaining a *sufficient* share in vacancy filling.
- Since 2000, the European Employment Guidelines call upon Member States to identify emerging bottlenecks in their labour markets. They also urge to prevent and combat bottlenecks by - among other strategies- developing and improving the job-matching capacities of employment services and by enhancing the functioning of labour markets by improving databases on jobs and learning opportunities which should be interconnected at European level.

In response to this, in the year 2000 EU/EEA PESs have started to develop a joint European PES Vacancy Monitor (EPVM) that seeks to bring together comparative quarterly information on stocks and flows of vacancies that are notified to PESs. The data in the EPVM are broken down to occupational groups up to ISCO-three digit (which distinguishes 110 categories). The monitor also contains data about the flow of vacancies and salaried employment according to the two-digit ISCO. The EPVM should contribute to comparative transnational monitoring of

increases and decreases in labour demand and to the more comprehensive monitoring systems identification and diagnosis of market segments suffering from recruitment difficulties. By itself, it will also allow a better comparative picture of the vacancy flows that are channelled through national PESs. On the basis of such information, international exchange of good practices can be started that may help PESs to strengthen their market position, to better contribute to vacancy filling in the market and to alleviate specific recruitment difficulties.

However, it proves difficult to compare the figures from different countries. Information about influencing factors that may cause differences in vacancy notification between PESs is not included in the monitor. Possible causes for these differences are:

- Differences in labour market situation. Both the state of the business cycle and structural factors (such as the sectoral structure of employment) may be relevant.
- Differences in the purposes of obtaining, registering and processing vacancies.
- Differences in the used definitions and the measurement of vacancies.
- Differences in the way that vacancies are obtained/captured and processed.

For that reason there is need for in-depth comparative understanding of vacancies notified to the PES and of PES methods in dealing with those vacancies. The combination of a simple and applicable EPVM and in-depth knowledge about underlying factors through a comparative analysis can make the EPVM a forceful instrument for the purposes mentioned above.

Therefore, the Directorate General Employment and Social Affairs of the EC has issued this study, which has two objectives:

- To bring together information necessary for an appropriate comparative interpretation of the statistical data that PESs (will) produce for the EPVM. Regarding this first objective, there can be build upon the work already done by the Expert Group that is developing the EPVM.
- To collect wider comparative information on the working methods PESs use in processing vacancies. As such the study will already contribute to a next stage of analysis in which the EPVM data will be utilised for organising a systematic exchange of experiences and good practices between PESs envisaging a further improvement of their performance in dealing with vacancies.

Table 1.1 presents the concrete research questions that should be answered by the study.

Table 1.1 Research questions (from the Terms of Reference for the study)

<p><b>Questions about the nature of notified vacancies across the various occupational segments</b></p> <p>Proportion of short-term jobs, very short-term jobs and more durable jobs?</p> <p>Proportion of vacancies for subsidised jobs?</p> <p>Proportion of vacancies that concern single jobs and vacancies that cover a number of job openings?</p> <p>Notified vacancies are actually a request of applicants; in what proportion are these requests directly linked to the availability of an open job?</p> <p>What kind of recruitment requests tend to stay very long in the PES-registration?</p>
<p><b>Questions about how vacancies are captured</b></p> <p>Proportion of vacancies directly entered via PES vacancy websites and proportion of vacancies notified to PES staff?</p> <p>Proportion of vacancies coming from “final” employers; of which: proportion only requesting information services (for instance via the vacancy websites) and proportion expressly requesting active PES assistance in filling?</p> <p>Proportion of vacancies entered by other intermediaries?</p> <p>Proportion of vacancies processed through the PES that are captured from newspapers, from other vacancy databases, et cetera?</p> <p>Possible doublings in the PES registration, for instance vacancies entered in several regions at the same time but with different descriptions?</p> <p>Specific procedures and strategies developed and pursued for increasing vacancy notification?</p>
<p><b>Questions about how PESs process the vacancies</b></p> <p>A description of referral practices: how are job seekers referred to employers with vacancies, how many referrals per vacancy; follow up on results of referral, et cetera?</p> <p>A description of the follow up of vacancies: verification of continued existence of the vacancy, automatic cancellation of vacancies after a specific time delay/period (after what delay, for how many vacancies does this happen, and how often are these vacancies thereafter re-registered?), how is information about filling success collected: through PES or through other channels?</p>
<p><b>Questions about dynamics in vacancy notification over the past decade</b></p> <p>Description of quantitative developments in vacancy notification from year to year - as a total and - if possible for the 10 major occupational groups that ISCO distinguishes.</p> <p>Examination of potential causal factors: changes in demand and supply over the various phases of the business cycle, expansion of private employment services, development of PES vacancy websites, new services strategy towards employers, and so on.</p>

## 1.2 DESIGN OF THE STUDY

The study has been conducted in regular contact with the PES Expert Group that develops the EPVM. The group has been consulted on the project plan, the interim report and the draft final report. Contacts with the national PESs have been organised via the Assistants to the Heads of PES who are the key operational actors of the European PES network.

Next to a study of relevant literature and the material already collected in the framework of the EPVM, the study consisted of four main activities:

### 1 *The collection of relevant information through a questionnaire*

The aim of this activity was to collect as much as possible relevant information. The questionnaire covered nearly all research questions. After presentation of the project plan to the Expert Group in Brussels in February 2003 and the approval of the project plan the questionnaire has been developed in February–March 2003 in close co-operation and consultation with the contact person of the Commission for the study, Mr. Ronald van Bekkum.

An English version of the questionnaire was sent to the Assistance to the Heads of the PESs at the end of March 2003. The French version of the questionnaire became available in the first half of April.

The response on the questionnaire has been very high (95 percent). Nineteen of the twenty EU/EEA-PESs<sup>1</sup> in the end have answered the questionnaire; only Greece did not respond. With most of the PESs additional telephonic interviews were held to clarify some of their answers in the questionnaire.

Furthermore, we think that the quality of the response on the questionnaire is good on average. Only the Italian response could not be used for the analysis, because in Italy no overall figures about vacancies captured by regional PESs are available at the moment. The collection of information about vacancies has been no priority in the Italian PES-reforms that have taken place since 1996/1997 and have shifted main responsibilities to the regional administrations. Furthermore, some (three to four) other PESs could not answer a considerable number of the questions.

On the basis of the answered questionnaires, following telephonic interviews and the literature study the Intermediate Report was prepared and presented in Brussels to the Expert Group on June 25<sup>th</sup>, 2003. The feedback received during this meeting provided the grounds for further adjustments of the report.

## **2 Visits to eight countries**

In the period July – September 2003 eight countries were visited. The main aim of the visits was to collect additional detailed and qualitative information about (good) practices regarding the strategies and procedures PESs use to obtain and process the vacancies. Considerable additional efforts to collect more quantitative data would not have had much additional value. Most PESs did already answer the statistical questions in the questionnaire as far as the figures were available.

In close contact with the contact person of the EC the selection of the countries to be visited was made: Germany, UK, Spain, France, Belgium (Flanders and Brussels), the Netherlands, Ireland and Sweden. These countries provide a good reflection of the existing diversity in the nature of the national PESs across Europe, their market position, and their strategies and working methods with regard to vacancy processing. Each visit to a national PES included several interviews (see time schedule of all visits and the names of the interviewed people in Annex A).

A checklist was developed to be the main standard guideline for SEOR experts implementing the country visits (see Annex B).

Originally, the intention was to visit ten instead of eight countries. But the response on the questionnaire in the first phase of the study was very high and the quality of the response was rather good on average. Therefore, it was decided in consultation with the DG Employment and Social Affairs of the EC to visit two countries less and to use the saved budget for broadening the first phase of the study (the collection of information by the questionnaire) to the ten countries that will enter the EU in 2004 (the accession countries).

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<sup>1</sup> Belgium has three PESs: VDAB for Flanders, FOREM in Wallonia and ORBEM for the region of Brussel.

### **3 *Collection of information from the ten PESs of the accession countries using the questionnaire used in the first phase for the EEA/EU PESs***

So, during the period July – September 2003 time has also been spend on the organisation of and the actual collection of information from the PESs of the ten accession countries: Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia. By the end of September an answer to the questionnaire was received from all ten PESs, implying a net response of 100 percent. However, the quality of the response was rather poor in some cases.

### **4 *Reporting***

In the second half of September 2003 and early October 2003 the draft final report of the study was made. This draft report was presented and discussed during the meeting of Expert Group on vacancies and recruitment difficulties on October 9<sup>th</sup> 2003. The participants of this meeting were given a week to make comments on the draft report. The final report was completed in the second half of October.

## **1.3 STRUCTURE OF THE REPORT**

In the report the results of the study are presented, thereby following the research questions in the Terms of Reference. The structure of the report is as follows:

In chapter 2 we start with sketching the role of the PESs on the total market of vacancies in quantitative terms. We provide information about the total number of captured vacancies by the PESs in 2002 and about the proportion of the captured vacancies that were directly notified to the PESs. Moreover, we establish a ranking order of PESs in respect of their market penetration. The market penetration (in a certain period) is the share of all vacancies in the economy that are captured by the PES (during that period).

In chapter 3 we briefly present some information about the PESs as a general context for their activities. This concerns for example the position of the PESs (part of a ministry or an independent public organisation), the main overall objectives of the PESs, the purposes for which the PESs are involved in obtaining and processing job vacancies and the size of their staff relative to the size of employment. Furthermore, as context information also some indicators for the structure of employment and the situation on the labour market in the various countries is presented in this chapter.

In chapter 4 the focus is on the nature of the captured vacancies by the PESs. In relation to this item, we also investigate the possibilities to make the data produced for the EPVM more comparable.

Chapter 5 is dealing with the ways how PESs capture their vacancies. Attention is paid to the channels through which the PESs obtain their vacancies, to the main aims of obtaining and processing vacancies by PESs, to the main lines of the strategies and procedures that PESs use to increase the direct notification of vacancies, to pro-active visits of employers, to the role and functions of the PES websites, and so on.

In chapter 6 the policies and procedures used by PESs to process job vacancies are described on the basis of some phases that can be distinguished in this process.

Chapter 7 contains information about the dynamics in vacancy notification in the past decade and about the factors influencing the developments in the number of captured vacancies.

The last chapter (8) gives a summary of the main results of the study and some conclusions about recent tendencies in PESs work methods that came into light through the analysis of the

collected information. We will show some general trends that apply to most countries, as well as some developments that are specific for groups of countries.

## **2 CAPTURED VACANCIES: NUMBERS AND MARKET PENETRATION**

### **2.1 INTRODUCTION**

The first question we address is too what extent PESs in quantitative terms are involved in the processing of vacancies. It is in this respect also useful to have some comparative information to get an idea of differences between PESs. We could then relate this comparative information to differences between PESs, for example with respect to their position and main objectives, the environment (employment), the nature of captured vacancies and strategies and procedures of the PESs to capture and process vacancies.

There are several possible indicators to assess the role of the PESs in the processing of vacancies:

1. The number of vacancies notified to the PES or the total number of vacancies captured by the PES.
2. The market penetration of the PESs, that is the proportion of all vacancies in the economy that are captured by the PES.
3. The stock of not-filled vacancies (for example yearly average or at the end of the year).
4. The number of filled vacancies (or placements) by the PES.
5. The proportion of all filled vacancies in the economy that are filled by the PES (this proportion is also called the PES market share).

In this study we focus on the first two indicators for several reasons. One reason is that the EPVM at this moment deals with the number of captured vacancies (inflow per quarter) and the number of unfilled vacancies (at the end of the quarter). The latter however is mainly used for calculating so-called left-over proportions in order to get indications for possible recruitment difficulties, but providing information about recruitment difficulties is outside the objectives of this study. Another reason is that comparing PESs regarding the number of filled vacancies or their market share is even more difficult than comparing them in respect of their market penetration. On the basis of the response on our questionnaire we observe that:

- Almost all PESs provided information about the number of notified or captured vacancies.
- There are rather big differences in definitions used for a PES vacancy filling (or placement). This implies that comparing PESs in this respect is extremely difficult and therefore time consuming.
- A number of PESs did not give information about the number of filled vacancies by the PES. One PES answers that whether or not the vacancy is filled by the PES is a ‘theoretical question’. Another PES indicates that they left the concept of ‘placements’ and moved to the logic of diffusion of vacancies. In some other countries (Norway and Sweden for example) PESs use so-called open systems in which job seekers can directly contact the employer without intervention of the PES. In these cases it often not possible (and may be also not important because of the chosen strategy by the PES) to determine whether a vacancy is filled by the PES or not. In these countries it is not known how a vacancy is filled. The same applies for a substantial proportion of the captured vacancies (apply direct vacancies) by the PES in Great Britain.

Therefore in this report we focus on the number of captured vacancies by PESs and the relative market penetration of PESs.

In the next section we start with examining the number of newly captured vacancies (inflow) by the PESs in the year 2002 and the proportion of these vacancies that were directly notified to the PES by employers. By direct notification is meant that employers consciously have chosen to use the PES as a recruitment channel. Direct notification can for example take place through:

- Notification of vacancies by employers to PES-staff.
- Notification of vacancies by employers to a PES call centre.
- The entering or the notification of vacancies on a PES-website.

In section 2.3 we relate the numbers of captured vacancies to an indicator for the volume of total recruitment (of employees) in the various countries in order to obtain a ranking order of PESs in respect of their market penetration.

Section 2.4 compares the occupational structure of the notified vacancies with the occupational structure of salaried employment.

The summary and conclusions of this chapter are in section 2.5.

## **2.2 NUMBER OF CAPTURED VACANCIES**

In table 2.1 the number of captured vacancies by the PESs in the EU/EEA are given for the year 2002, as well as the proportion of these vacancies that were directly notified to the PES. Comparing the numbers of captured vacancies between PESs is not useful because the size of the countries varies strongly. As said, in the next section we will relate these numbers to an indicator for total recruitment in the economy. Worth noticing is that in the year 2002 the PESs altogether captured almost 14 million vacancies.

The table shows that in the vast majority of countries still (nearly) all captured vacancies by the PES are directly notified to the PES. The only exceptions to this rule are Denmark and Norway.

In Norway in the year 2002 36 percent of all captured vacancies by the PES were directly notified to the PES through employers. The other 64 percent was captured via advertisements in newspapers. In Denmark around a third of all captured vacancies are directly notified to the PES and are included in the PES-registration. The other 66 percent are captured from advertisements in newspapers, from other databases and from employers entering their vacancies on the website of the Danish PES. This is called the 'open system'. Vacancies in this open system are not included in the PES-registration, but in a separate database. In the Danish vacancy statistics both types of vacancies are included. So, when comparing the data in the EPVM, up to now only for Denmark and Norway it should be considered that a large part of the captured vacancies are not directly notified to the PES through employers. But it should be realised that Denmark is for the purpose of the EPVM also able to provide data about only those vacancies that are directly notified. In Finland around 5 percent of the vacancies is captured through PES-staff contacting employers that placed personnel advertisements in newspapers.

Another important point is that the Austrian PES has a website (the E-job room) on which employers can enter their vacancies, but the vacancies entered on this website are currently not included in the vacancy statistics of the Austrian PES. The result can be that the Austrian figures about the number of captured vacancies may look less favourable than that of PESs that include vacancies entered on their website in their vacancy statistics. Moreover, the Austrian PES does not know how many vacancies are entered on their website.

*Table 2.1 Number of vacancies captured by the PES in 2002, proportion of the vacancies that were directly notified to the PES by employers and, if known, the PES market penetration (EU/EEA countries)*

Country	Number of vacancies captured by PES in 2002, in number of positions	Part of captured vacancies that were directly notified to the PES by employers	Market penetration (share of captured vacancies by the PES in the number of all new vacancies in the economy during the year)
Austria	276.000 (without vacancies entered on E-job room by employers; these vacancies are not included in the statistics)	100%	In 2000 and 2001: around 24 – 27 of number of employment contracts started
Belgium – Brussels	11.250	100%	-
Belgium – Flanders	226.000	99,5%	-
Belgium – Wallonia	57.000	100%	-
Denmark	253.500	34% (the other vacancies are in the “open system”)	Around 30%, based on number of new recruitments in the economy
Finland	328.000	Around 95%	60% in 2002
France	3.031.000	100%	37% in the year 2000
Germany	2.773.000 (for more than 7 calendar days; in addition: 498.000 for up to 7 calendar days)	100%	37% for the year 2001 based on stocks of unfulfilled vacancies
Great Britain <sup>a)</sup>	3.096.000 (in Great Britain vacancies for less than 8 hours are not included in the statistics. They are in the database how they are kept in the database)	100%	39% (estimate for 2001 – 2002 based on a survey among employers)
Iceland	3.800	100%	-
Ireland	103.000	100%	Estimate: 40%
Italy	Not available	Not available	-
Luxembourg	13.600	100%	-
Netherlands	170.000	100%	Around 20 percent
Norway	301.000	36%	Market share is estimated at 80 percent
Portugal	105.000	100% (only for the ‘Mainland’)	-
Spain	2.633.000	100%	-
Sweden	474.500	Not available	Around 40 percent in the years 2000 – 2002
Switzerland	110.000	100%	-

a) Number for the period June 2002 – May 2003. No good data available for the months January – May 2002.

Source: SEOR questionnaire.

To determine whether the number of captured vacancies by the PES is relatively large or small, it is needed to have an indicator for the size of the total market. Eleven of the nineteen PESs in the EU/EEA answer that an assessment of the total market of vacancies in their country is made. In some cases these assessments are made by private research institutes (Brussels, Flanders, Wallonia, Ireland and Italy) and in some other cases the assessments are based on data from

social insurance organisations (Austria and Denmark). In Great Britain and Sweden the National Statistical Institutes provide data about the total market of vacancies. Most common is that an assessment of the total market of vacancies is based on a survey among employers or is made by using information from various sources (including PES-sources).

However, only four PESs have provided us with some data about the total market of vacancies in their country. As a result, for most PESs we are not able to calculate their market penetration (the number of vacancies captured by the PES as a proportion of the total number of vacancies in the economy during the year). Wallonia, Iceland, Luxembourg, the Netherlands, Norway, Portugal, Spain and Switzerland say that an (reliable) assessment of the total market of vacancies is not made in their country<sup>2</sup>.

However, the last column of table 2.1 shows that ten PESs directly provided figures or estimates for their market penetration. The market penetration in Finland and Norway seems to be rather high, while in Austria the market penetration of the PES is around 25 percent (vacancies entered on the PES website excluded) and the market penetration of the Dutch PES is around 20 percent in 2002<sup>3</sup>. The high market share of the PES in Norway could be explained by the fact that the PES captures most of the vacancies (two third) from advertisements in newspapers.

Table 2.1(A) shows that in the accession countries the direct notification of vacancies is actually the only way in which new vacancies are captured. In all the ten countries (almost) 100 percent of the vacancies obtained by the PES were directly notified to the PES. The Czech and Hungarian PESs have, according to their own estimates, a relatively high market penetration.

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<sup>2</sup> We however know that Statistics Netherlands as one of the few National Statistical Institutes in Europe conducts a quarterly vacancy survey in which flows and stocks of vacancies are measured. This survey is at least running for 15 years now.

<sup>3</sup> This figure is not provided by the Dutch PES but is derived from a combination of data. In the Netherlands the number of new vacancies in the economy is estimated at around 750.000 for 2002 (Source: National Statistical Institute). This would mean that the market share of the PES in the Netherlands is around 20 percent. But the number of statistically measured vacancies is usually lower than the number of recruitments (there could be recruitments without prior vacancies). The number of new recruitments per year in the Netherlands, flex work excluded, is around 1,1 million.

*Table 2.1(A) Number of vacancies captured by the PES in 2002, proportion of the vacancies that were directly notified to the PES by employers and, if known, the PES market penetration (EU/EEA countries)*

Country	Number of vacancies captured by PES in 2002, in number of positions	Part of captured vacancies that were directly notified to the PES by employers	Market penetration (share of captured vacancies by the PES in the number of all new vacancies in the economy during the year)
Cyprus	19.700	100%	-
Czech Republic	233.400	100%	30-50%
Estonia	16.100	98%	-
Hungary	438.700	100%	An estimate of 50-60%
Latvia	48.500	100%	-
Lithuania	133.000	100%	-
Malta	7.300	100%	16%
Poland	555.600	100%	-
Slovak Republic	225.900	100%	30%
Slovenia	139.037	100%	-

Source: SEOR questionnaire.

### **2.3 RANKING ORDER FOR PES MARKET PENETRATION**

So, direct information about the size of the total market of vacancies is lacking for most countries. To get some insight into the comparative size of the market penetration of PESs throughout Europe, we relate the number of captured vacancies in 2002 to an indicator of total recruitment in the economy. For this indicator of the total number of recruitments in the economy we took from the Labour Force Survey the number of people that started work with their present employer less than three months earlier and multiplied this number with four. This figure will represent the biggest share of all recruitments during the year. What is missing in these data are:

- Employees who started with a new employer more than once in the previous three months.
- People that at the time of the Labour Force Survey are unemployed or inactive, and who have at some point during the previous three months started a job with a new employer.

Both categories are of minor importance compared to the numbers recorded for the share of employees working less than 3 months for their employer. That a part of the recruitments is missing in the used indicator implies however that the calculated ratios (captured vacancies divided by the indicator for total recruitment) cannot be interpreted as an exact estimate for the PES market penetration. The ratios are only used to produce a ranking order of PESs in respect of market penetration.

To investigate the sensitivity of the ranking order, we also used total salaried employment instead of the indicator for total recruitment as a base to calculate ratios for the PESs (included in the last column of the table). The total number of vacancies in the economy is of course not immediately linked to the size of employment, but an important correlation will exist between the two. This is confirmed by estimates of the OECD of the monthly hiring rate per country. For

most countries this monthly hiring rate was in the range of 1,5 to 1,8 percent of dependent employment during the mid nineties<sup>4</sup>. For Denmark, Finland, Spain and the UK the estimated monthly hiring rate is (somewhat) higher.

At the top of the ranking order of market penetration the PESs of France, Great Britain, Luxembourg, Norway and Spain can be found. These PESs have a relatively high market penetration. Except Luxembourg, these PESs are also in the top of the ranking if we use total salaried employment instead of the number of new recruitments as denominator for calculating the ratios. Using salaried employment Luxembourg can be found in the middle of the ranking order, but it rises to the top of the ranking when using the number of recruitments. This is because recruitment in relation to employment is on a relatively low level in Luxembourg.

The result for Norway corresponds to their high estimate of the market penetration (see table 2.1). This does however not hold for France and Great Britain: the PESs themselves think that they have a rather average market penetration. But the estimate for market penetration of France is based on the year 2000. The estimate of Great Britain is based on a survey among employers and using PES registration data about captured vacancies may result in a different estimate. For Spain it is known that the number of captured vacancies by the PES in 2002 represents around 15 percent of all new labour contracts during this year. But INEM (the Spanish PES) itself recognises that this is an underestimation of its real weight in the market because for a very substantial number of new contracts there is no recruitment on the 'open market'. It happens very often that an employer (if he is satisfied with an employee) continues contracting the same person again and again for the same job through new contracts any time he has got work to offer. As a consequence the same employee may have various contracts with the same employer, even in a single year. So using the number of new contracts (there are 14 million new contracts a year on a total economically active population of about 18 million people!) as a denominator to establish the market penetration of INEM gives a large underestimation of the actual position of INEM on the market. Employees probably will also often say that they have been working for the same employer for quite a time (be it under several contracts), as may be clear from the fact that the used indicator for total recruitment (based on the Labour Force Survey) in 2002 for Spain gives a figure of 'only' almost 4 million (see table 2.2).

The PESs of Iceland, the Netherlands, Portugal and Switzerland are at the bottom of the ranking with a relatively low market penetration. This doesn't change if we use total salaried employment in the denominator instead of the indicator of total recruitment in the economy. For the Netherlands, Portugal and Switzerland this also corresponds with findings the OECD<sup>5</sup>. Furthermore, for the Netherlands this is also confirmed by the presented figure in table 2.1.

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<sup>4</sup> OECD, *Labour Market Policies and the Public Employment Service*, Prague Conference 2000, 2001, page 37.

<sup>5</sup> OECD, *Labour Market Policies and the Public Employment Service*, Prague Conference 2000, 2001, page 37.

*Table 2.2 Number of newly captured vacancies by the PES in 2002 in relation to the indicator of the total number of recruitments in the economy in 2002 (EU/EEA-countries)*

Country	Number of captured vacancies by PES in 2002 (000s)	Indicator of total number of recruitments in 2002 (000s) <sup>a)</sup>	Captured vacancies/indicator of total recruitment (%)	Captured vacancies/total salaried employment (%)
Austria	276	566 <sup>b)</sup>	49	9
Belgium – Brussels	11,3			
Belgium – Flanders	226	533	55	9
Belgium – Wallonia	57			
Denmark	254	726	35	10
Finland	328	815	40	16
France	3.031	4.624	66	14
Germany	2.773	5.652	49 (58 including vacancies for up to 7 calendar days)	9 (10)
Great Britain	3.096 <sup>c)</sup>	5.003	62	12
Iceland	3,8	25	15	3
Ireland	103	279	37	7
Italy	Not available	2.884	-	-
Luxembourg	13,6	19	72	8
Netherlands	170	762 (< 12 months) <sup>d)</sup>	22	2
Norway	301	422	71	14
Portugal	105	601	17	3
Spain	2.633	3.890	68	20
Sweden	475	941	50	12
Switzerland	110	613	18	3

- a) *Four times the number of employees who started work with their present employer less than 3 months earlier.*
- b) *For Austria the job tenure of employees is not published. We took the same share of total salaried employment as for Germany.*
- c) *See table 2.1.*
- d) *For the Netherlands for some inexplicable reason the number of employees working in their current job for less than 3 months multiplied by four is smaller than the number of employees working less than 12 months in their current job. Therefore we took the last number.*

Source: SEOR questionnaire, Labour Force Survey 2002 (EUROSTAT).

Seven other PESs form the middle group of the ranking order. This group consists of the PESs of Austria, Belgium, Denmark, Finland, Germany, Ireland and Sweden (for the PESs of Denmark, Germany, Ireland and Sweden this is more or less confirmed by their own estimates included in table 2.1). Of these PESs those of Austria, Belgium, Germany and Sweden are just behind the countries at the top of the ranking. The PESs of Denmark, Finland and Ireland are at the low side of the middle group. Except Finland and Sweden these PESs also belong to the middle group of the ranking if we use total salaried employment to obtain a ranking order for PES market penetration. Finland and Sweden, however, are at the top of the ranking if total salaried employment is used. Because labour turnover is comparatively high in Finland and

Sweden, both PESs drop to the middle group if we use the indicator of total recruitment as the basis.

For the PESs of the accession countries the same exercise has been carried out, see table 2.2(A). Here the PESs of Hungary, Slovak Republic and Slovenia are at the top of the ranking. For these countries there is some doubt about the reliability of the LFS-data about job tenure because the number of vacancies captured by the PES is larger than total recruitment. This doubt is based on the fact that in these countries labour turnover as a percentage of total salaried employment is much smaller than in the other countries. Furthermore, it is also possible that in these countries many vacancies from abroad (especially from neighbouring countries like Austria) are notified.

But also if we use total salaried employment as a basis to calculate relative market penetrations these PESs are at the top of the ranking, together with the PES of Lithuania. The PESs of Latvia and Estonia are at the bottom of the ranking order, while Cyprus, Czech Republic, Poland and also Malta are in the middle group.

*Table 2.2(A) Number of newly captured vacancies by the PES in 2002 in relation to the indicator of the total number of recruitments in the economy in 2002 (accession countries)*

Country	Number of captured vacancies by PES in 2002 (000s)	Indicator of total number of recruitments in 2002 (000s) <sup>a)</sup>	Captured vacancies/indicator of total recruitment (%)	Captured vacancies/total salaried employment (%)
Cyprus	19,7	62	32	8
Czech Republic	233	531	44	6
Estonia	16,1	133	12	3
Hungary	439	424	104	13
Latvia	49	328	15	4
Lithuania	133	224	59	16
Malta	7,3	Not available	-	6
Poland	556	1.813	31	6
Slovakia	226	151	150	12
Slovenia	139	112	124	18

*Source: SEOR questionnaire.*

## **2.4 NOTIFIED VACANCIES ACCORDING TO OCCUPATIONAL GROUP**

Table 2.3 provides some information about the structure of the captured vacancies by PESs in comparison with the structure of salaried employment according to the ISCO one-digit.

It appears that all PESs included in the table have a relatively high share of elementary occupations compared to the share of this occupational group in total salaried employment. This is especially true for the PESs of Denmark, France, Germany, Great Britain and Spain. The overrepresentation of this occupational group in the notified vacancies is much less in Belgium and Norway.

*Table 2.5 Structure of notified vacancies and salaried employment according to occupational group (one digit ISCO) in some countries<sup>a)</sup>*

PES		0	1	2	3	4	5	6	7	8	9	Total
Belgium	NV	0,0%	4,3%	14,0%	16,4%	13,2%	13,4%	0,6%	16,3%	7,4%	14,3%	100%
	SE	1,2%	6,5%	19,5%	11,4%	18,6%	10,8%	0,5%	11,1%	7,7%	12,6%	100%
Denmark	NV <sup>b)</sup>	0,0%	0,1%	0,9%	6,8%	6,0%	44,4%	0,2%	5,7%	5,9%	30,0%	100%
	SE	0,5%	4,1%	14,6%	21,0%	11,4%	16,1%	1,0%	10,8%	7,8%	12,7%	100%
France	NV <sup>c)</sup>	0,0%	2,0%	6,7%	11,9%	13,0%	19,9%	2,5%	12,7%	8,8%	22,5%	100%
	SE	1,5%	4,7%	10,7%	19,0%	15,6%	13,4%	1,6%	12,5%	11,9%	9,1%	100%
Germany	NV	0,0%	2,9%	3,8%	11,9%	11,6%	14,5%	1,5%	14,2%	9,9%	29,8%	100%
	SE	0,7%	3,6%	12,2%	21,5%	14,1%	12,3%	1,2%	17,6%	8,1%	8,7%	100%
Great Britain	NV <sup>d)</sup>	0,1%	2,3%	2,1%	7,0%	14,9%	25,5%	0,6%	7,2%	11,0%	29,4%	100%
	SE	0,4%	13,0%	12,6%	11,6%	16,2%	17,2%	0,5%	8,4%	8,0%	12,1%	100%
Ireland	NV	0,0%	4,8%	4,4%	4,1%	17,6%	32,6%	2,7%	13,4%	3,3%	17,0%	100%
	SE	0,5%	9,5%	16,4%	7,0%	15,6%	16,8%	1,1%	12,7%	11,8%	8,7%	100%
Norway	NV	0,1%	4,6%	9,0%	20,9%	5,1%	36,9%	3,4%	7,6%	4,5%	8,0%	100%
	SE	0,5%	7,3%	11,8%	23,9%	8,9%	22,3%	1,4%	10,3%	7,7%	5,8%	100%
Portugal	NV	0,0%	0,2%	1,5%	4,7%	12,7%	26,5%	5,1%	19,0%	6,4%	23,9%	100%
	SE	1,0%	1,5%	8,3%	9,1%	12,8%	14,7%	1,8%	24,1%	10,6%	16,1%	100%
Spain	NV	0,0%	0,3%	3,9%	5,8%	11,2%	17,2%	9,2%	11,6%	4,9%	35,9%	100%
	SE	0,7%	1,9%	13,0%	11,1%	11,6%	15,4%	1,3%	17,6%	11,0%	16,3%	100%
Sweden	NV	0,0%	1,6%	16,3%	18,1%	7,9%	30,9%	1,2%	5,1%	8,4%	10,4%	100%
	SE	0,3%	3,8%	17,1%	20,7%	11,4%	18,4%	0,9%	10,3%	11,4%	5,6%	100%

a) The figures 0 to 9 in the columns stand for the occupational group: 0 = armed forces, 1 = professionals, 3 = technicians, 4 = clerks, 5 = services and sales workers, 6 = agriculture/fishery workers, 7 = craft/related trades workers, 8 = plant and machine operators and 9 = elementary operators.

NV in second column stands for Notified vacancies and SE for salaried employment

b) Notified vacancies in fourth quarter of 2001 and first three quarters in 2002.

c) Notified vacancies in 2001.

d) Notified vacancies in from third quarter 2002 till second quarter 2003.

Source: LFS Eurostat, European PES Vacancy Monitor and SEOR-questionnaire.

Furthermore, the share of services and sales workers in the notified vacancies is in all countries, but especially in Denmark, Great Britain, Ireland, Norway, Portugal and Sweden, much higher than the share of this group in salaried employment. For this occupational group the differences are small for Belgium, Germany and Spain.

At the same time we can observe that the shares of professional occupations, technicians, clerks and craft/related trades workers in the notified vacancies are for practically all PESs lower than the share of these professional groups in salaried employment.

The conclusion is that for most PESs the notified vacancies still are strongly concentrated in elementary occupations and services and sales workers. Of the countries/PESs included in the table the differences between the occupational structure of notified vacancies and the occupational structure of salaried employment is the smallest in Belgium, followed by Sweden, Norway, France and Portugal. The largest deviations between the two structures exist in Denmark. In Germany, Great Britain and Spain the differences are also relatively large.

## 2.5 SUMMARY AND CONCLUSIONS

A large majority of PESs still obtain most of the vacancies by direct notification through employers. This can be done directly to the PES-staff, by entering or notifying a vacancy on the PES-website or by notifying the vacancy to a PES call centre. The latter possibility is mainly used in Ireland and Great Britain. Exceptions in this respect are Norway and Denmark: the Norwegian PES obtains a substantial number of vacancies (two of every three vacancies) from personnel advertisements in newspapers. In Denmark around 35 percent of the captured vacancies is directly notified to the PES. The other vacancies are in the so-called 'open system' in which vacancies are included that are captured from newspapers and from other databases. It should however be noticed that also the vacancies entered on the website (so directly notified to the PES) are in this open system in Denmark. On the other hand the PES in Austria has a website on which employers can enter their vacancies, but these vacancies are not included in the statistics. When comparing the data collected for the EPVM there should be taken account of these specificities for Norway, Denmark and Austria. The PESs of the ten accession countries still capture (almost) all of the vacancies by direct notification.

To have an idea about the importance of the role of the PESs in processing job vacancies information is needed about the size of the total market of vacancies. Around half of the EU/EEA-PESs indicate that an assessment of the total market of vacancies is made in their country but only four PESs provided such data to us. However, ten PESs did provide figures or estimates for their market penetration (the share of the number of captured vacancies by the PES in the number of all new vacancies in the economy during a year). Finland and Norway report a relatively high market penetration and Austria and the Netherlands relatively low market penetrations.

We constructed a ranking order of PES market penetration by relating the number of captured vacancies by the PES to an indicator for total recruitment: the number of employees that started work with their present employer less than 3 months ago (source is the Labour Force Survey) multiplied by four. We divided the ranking order in three groups:

- Five PESs at the top of the ranking: France, Great Britain, Luxembourg, Norway and Spain. Those PESs, except the one of Luxembourg, are also at the top of the ranking when we use total salaried employment in the denominator instead of the indicator for total recruitment.
- Four PESs at the bottom of the ranking: Iceland, Netherlands, Portugal and Switzerland. This does not change if we use total salaried employment as basis for the calculations.

- Seven other PESs belonging to the middle group. Within this group the PESs of Austria, Belgium, Germany and Sweden are just behind the countries at the top of the ranking. Of this group of seven PESs both Finland and Sweden are found at the top of the ranking if we use total salaried employment instead of the indicator for total recruitment as denominator, but in both countries labour turnover is relatively high.

Of the PESs in the accession countries those of Hungary, Lithuania, Slovak Republic and Slovenia are at the top of the ranking order. Latvia and Estonia are at the bottom of the ranking.

The notified vacancies to most PESs are strongly concentrated in two occupational groups: elementary occupations, and services and sales workers. The differences between the occupational structure of the notified vacancies and the occupational structure of salaried employment are relatively small in Belgium and very large in Denmark.



## **3 PESs: GENERAL CONTEXT OF THEIR ACTIVITIES**

### **3.1 INTRODUCTION**

The way PESs are dealing with (pro-active) search for vacancies, the intake and the processing of vacancies may depend, among other things, on:

- their organisational structure and position on the national labour market;
- their main objectives as an organisation;
- the specific purposes for which the PES is engaged in the capturing and processing of vacancies

Furthermore, the specific features of the work processes concerning vacancies may be determined by available resources (staff). Therefore, in the questionnaire we started with some general questions about these matters. The actual role of the PES in processing vacancies may be influenced by the structure of and the situation on the national labour market too.

Information about these institutional features and about the structure of and situation on the national labour markets is presented in this chapter as a general context. In section 3.2 we focus on the position of the PES (is it part of a ministry or is it an independent public organisation?) and on significant changes in its position, structure and role since 1990. Section 3.3 deals with the main overall objectives of the PES and changes in these objectives during the last decade. In section 3.4 the purposes for the PESs to be involved with obtaining and processing vacancies are discussed. In section 3.5 some information is given about the size of the PES-staff and the density of the network of PES-offices. Section 3.6 some important features (employment structure, share of temporary employees, share of part-time work and unemployment) of the national labour markets are presented by a number of indicators. In section 3.7 we try to find relations between the ranking order for PESs' market penetration, as it was derived in the previous chapter, on the one hand, and characteristics of the institutional context and the labour market on the other hand. The chapter ends with section that contains the summary and conclusions.

Before presenting the information about the general context a remark should be made. The information in the first few sections of this chapter is mainly based on the answers PESs gave on the questions in our questionnaire and so it may be that this information is biased depending on the person who actually answered the relevant questions. Where possible, we will compare the information obtained by the questionnaire with information from other sources, mainly the ILO and OECD.

### **3.2 THE POSITION OF THE PES AND CHANGES IN ITS POSITION, STRUCTURE OR ROLE IN THE LAST DECADE**

On the question "Is the PES in your country part of a ministry or an independent public organisation (with its own board)?" 60 percent of the PESs in the EU/EEA answered that they are an independent public organisation (see table 3.1). Four of the five Scandinavian PESs answered that they are part of a ministry, Norway being the exception.

Table 3.1 Position of the PESs in the EEA/EU-countries

Position:	Applies to PES of:
PES is part of a ministry	Denmark, Finland, Great Britain, Iceland, Luxembourg, Spain, Sweden and Switzerland
PES is an independent public organisation (with its own board)	Austria, Belgium (all three PESs), France, Germany, Ireland, Italy, Netherlands, Norway and Portugal

Source: SEOR questionnaire.

In case the PES is legally defined as a part of the ministry, the ILO distinguishes between two different forms<sup>6</sup>:

1. A fully integrated part of a department. The minister and the senior officials of the department are in charge and may intervene on a day-to-day basis.
2. An executive agency within a government department. The functions of the PES have been transferred to a separate organisation within a government department. The organisation is led by a director-general or chief executive who is directly accountable to the relevant minister.

A second legal status for PESs is that of an autonomous administration under a commission or council representing social partners. According to the ILO the status of this body is established by legislation which usually defines the general mandate of the PES, its method of financing, the main forms of management and control and its relations with ministers and with employers' and workers' organisations. The executive management is appointed by the management council/board or on its proposal.

The ILO states that the form of an executive agency within a department applies to the United Kingdom at this moment and it mentions the Bundesanstalt in Germany as an example of an autonomous administration. This corresponds with the answers given on our question by those PESs. Furthermore, according to the ILO the PESs of Austria, Belgium, France, Germany, Ireland, the Netherlands and Spain have been transformed into an administrative autonomous institution<sup>7</sup>. With the exception of Spain this corresponds with the content of table 3.1. During our visit to Spain it was confirmed that INEM up till now is a part of the Ministry, with its own General Advisory Committee and Executive Committee.

In the ten accession countries the picture in this respect is also mixed. Five PESs, those of Lithuania, Cyprus, Hungary, Czech Republic and Poland are part of a ministry. The PESs of the other countries (Slovenia, Latvia, Malta, Slovak Republic and Estonia) have answered that they are an independent public organisation. The ILO in 2001 reported that in the accession countries the PES is most commonly a department or division of the Ministry of Labour.

A last remark regarding this subject is that we also have to realise that PESs with more or less the same legal status may strongly differ from each other in the way they are actually organised. For example CWI in the Netherlands has nowadays a more centralised organisation than its predecessor, while at the same time the German and Italian PES have a strong decentralised

<sup>6</sup> Phan Tuy, Ellen Hansen and David Price, *The Public Employment Service in a changing labour market*, ILO, Geneva, 2001, page 23 and 24.

<sup>7</sup> Phan Tuy et al, ILO, 2001, page 24.

character. The PES of Spain on the other hand, while being part of a ministry, also has a decentralised structure. So, we have to realise that the complexity of the PES-organisations cannot be caught in one simple indicator.

Sixteen of the nineteen PESs in the EU/EEA have answered that they went through significant changes in its position, structure or role since 1990. Three PESs, those of Luxembourg, Portugal and France, have answered that they didn't. Table C.1 in Annex C presents the most important changes in position, structure and role of the various PESs. It is difficult to make a good classification of PESs regarding the magnitude and impact of the changes, but on the basis of the answers given by the PESs it seems that the changes have been relatively large for the PESs in:

- Austria: transformed in an independent body in 1994 (decentralisation, participation of social partners and creation of a more efficient and client-oriented service);
- Flanders: several changes in the last few years (1999: introduction of local job shops; 2000: division into employer-line and jobseekers-line; 2001: commercial services transferred to government owned LTD);
- Germany: since 1996 there has been a large re-organisation process;
- Great Britain: in 1996 started to administer unemployment benefits and in 2002 joined the Department for Work and Pensions;
- Iceland: set up of a new public authority in 1997; before that time the local communities had their own employment services;
- Italy: complex process of reform; the responsibility of PES transferred to the local administration;
- The Netherlands: several changes in the position and the organisation in the nineties and also more recently in 2002.

Apart from the PESs that did not report any significant changes (see above), the reported changes seem to be relatively small in Brussels (position and organisational structure did not change; the service philosophy of the organisation changed), Finland (there was an organisational reform but the position and organisational structure of the local employment offices have not changed), Norway (it seems that in 2002 only the regional level was abandoned), Spain (the most important change dates from 1991 when the management of job brokerage and vocational training was transferred to the regions) and in Wallonia (the reforms there are from a quite recent date). Furthermore, the reported changes by the PES in Sweden concern, like in Brussels, primarily the vision on the services that should be offered by the PES and the implementation of that vision in practice and not the position and the structure of the PES.

Eight of the ten PESs of the accession countries report significant changes in the last decade. The exceptions are Cyprus and Malta. In the majority of the accession countries PESs were established as such in the beginning of nineties (Estonia, Hungary, Latvia, Slovakia, Lithuania). In those countries PES had to build the whole range of services and establish itself as working institutions. Other countries including Poland and Slovenia mention crucial reforms in the 90-s, which did lead, as in Poland, to decentralisation of the whole system and its subordination to regional and local government bodies.

As said the two exceptions are the PESs of Malta and Cyprus, the only two countries not situated in Middle and Eastern Europe. The PES of Malta only reports improvements in operations through advancements in Information Technology. Table C.1(A) in Annex C gives the most important changes for the PESs in the accession countries in its position, structure and role since 1990.

### 3.3 MAIN OVERALL OBJECTIVES OF PESs

The way PESs capture and process vacancies most probably will be influenced by the objectives of the PES. Therefore we asked the PESs what are their main overall objectives and whether these did change since 1990. The tables C.2 and C.2(A) in Annex C give an overview of the answers that PESs have given on these questions. Table 3.2 gives a systematic summary of the information for the PESs in the EU/EEA. This table shows that among the most often mentioned (types of) objectives we can find the following:

1. To help jobseekers to ultimately find the (best possible) job;
2. To help employers to find the most suitable staff/to fill vacancies;
3. To promote the good functioning or regulation of the labour market, to improve the match between demand and supply on the labour market;
4. To support disadvantaged groups, prevent/reduce long-term unemployed, and so on;
5. Provision and distribution of information (to individuals, institutions, and so on) about the labour market and employment issues;
6. To provide/organise training and education.

The second and third types of objectives are mainly connected to the efficiency of the functioning of the labour market. This also applies to the first type of objectives, as far as these objectives concern all (unemployed and employed) jobseekers. When it only concerns unemployed jobseekers this type of objectives move somewhat to the equity side of the spectrum. Objectives in the fourth category are targeted on improving the chances of weak groups on the labour market (equity).

The objectives of a number of PESs tend to stress the efficient working of the labour market: this applies to Austria, Brussels, Flanders, Wallonia, Luxembourg, the Netherlands, Norway, Spain and Switzerland. Some PESs (also) emphasise actions for disadvantaged people: Finland, France, Great Britain, Ireland, Italy and Sweden. We conclude that many PESs have rather general and broad objectives.

Table 3.2 (Types of) objectives of PESs in the EU/EEA

PES of	Recent change in objectives	To help jobseekers to find the job (meet needs of jobseekers)	To help employers to find staff (improve services to employers) / filling vacancies	To promote good functioning and/or regulation of the labour market ("match")	To support disadvantaged groups, long-term unemployed ("activate")	To provide, organise training or education ("to train")	To provide information about the labour market	Provision, involvement in dealing with benefits (soc. sec.; etc)	To develop, implement employment policy	To co-operate, provide services to other partners	Other
Austria	Yes	X	X				X				
Belgium – Brussels	Yes			X <sup>a)</sup>					X		
Belgium – Flanders	No			X							
Belgium – Wallonia	Yes	X	X				X			X	
Denmark											Did not answer the question
Finland	Yes			X	X						Promote accessibility of labour force
France	No	X	X		X						
Germany	No	X	X	X		X					Development of regional employment infrastructure; Fight against illegal labour
Great Britain	No	X	X		X	X		X			Improve quality of services; Increase PES efficiency
Iceland	Yes						X				Monitor regional employment offices and co-ordinate their functions
Ireland	Yes	X	X		X						
Italy	No	X	X	X	X		X				Security, and labour conditions inspection
Luxembourg	No			X							Provision of optimal use of the labour force

PES of	Recent change in objectives	To help jobseekers to find the job (meet needs of jobseekers)	To help employers to find staff (improve services to employers) / filling vacancies	To promote good functioning and/or regulation of the labour market ("match")	To support disadvantaged groups, long-term unemployed ("activate")	To provide, organise training or education ("to train")	To provide information about the labour market	Provision, involvement in dealing with benefits (soc. sec.; etc)	To develop, implement employment policy	To co-operate, provide services to other partners	Other
Netherlands	Yes		X	X				X			Transparency of the labour market; Work permits
Norway	No	X		X			X			X	Secure income of jobseekers
Portugal	No			X		X	X		X		
Spain	No	X	X			X					Administer placement of unemployed; administer and guide the expenditures and assistance for promotion of employment
Sweden	No			X	X	X					
Switzerland	No	X	X					X			
<b>Total</b>		<b>10</b>	<b>10</b>	<b>10</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>3</b>	<b>2</b>	<b>2</b>	

a) Which includes: to help the job seekers to find a job, to help employers to find staff, to support disadvantaged groups and to provide and distribute labour market information.

Source: SEOR-questionnaire.

In the majority of EU/EEA PESs the main objectives did not significantly change during the last decade. Among those that report changes in objectives are: Austria, Wallonia, Finland, Iceland, Ireland, Italy, the Netherlands and Switzerland. It is interesting to mention that the changes in the objectives were similar in a number of countries: the PESs in Austria; Brussels, Wallonia, Finland and Switzerland tend to emphasize the move from an organisation being mainly focused on the unemployed jobseekers towards a service-oriented organisation focused on both market sides. The PESs in Finland, Wallonia and Switzerland report that, as a result of reforms in the 90-s, they put more emphasis on policies and measures to activate jobseekers. Ireland mentions particularly the preventive approach to long-term unemployment. The PES in the Netherlands took more the role of 'gatekeeper' for social security.

While no change of objectives was mentioned, Spain emphasises the important impact that the regionalisation of the PES had. The regional level has become much more important in dealing with employment matters. Among the main objectives of the PES Germany mentions: contributing to the development of the regional employment infrastructures.

The main objectives of the PESs in the accession countries are of a similar kind: contribute to smooth operation of the labour market; provide employment services to jobseekers and employers; assist most disadvantaged groups, etc. See for the details table C.2(A) in Annex C. Accession countries more often than EU members mention the provision of training services to clients and vocational guidance (Czech Republic; Cyprus; Estonia; Malta; Slovak Republic). Some accession countries, such as Hungary and Lithuania, stress the objective of the preparation for the EU membership (different aspects of it). The objectives of several PESs, like those of Poland and Latvia, are formulated in a very general and formal way. For example, Poland reports: "Execution ruling Constitution about employment and counteract unemployment"; and Latvia reports: "To implement governmental Labor Market policy in order to reduce unemployment and to support unemployed and job seekers".

What could this all mean for the way PESs are capturing and processing vacancies? Given the main objectives of a PES still several choices are possible. Suppose that the objectives of a PES are very much focused on an efficient functioning of the labour market (to have a better match, to reduce vacancy filling times and to reduce application times, and so on), then this PES could for example choose to invest strongly in obtaining information about as many as possible vacancies and to distribute this information in a cost efficient way to jobseekers through an open system in order to increase the transparency of the labour market for them. On the other hand, the PES could also invest in a better exchange of information between itself and other intermediaries on the labour market (we will see later that the PES of Sweden is following this strategy) in order to increase the transparency. In that case it is not necessary to enter vacancies in several registrations. It would also be logical if such a PES invests in the quality of its data and information: the registers (of jobseekers and vacancies) should be up to date and 'clean'. Registers that are not up to date and contain incorrect information can have a negative effect on the transparency. On the other hand, if the objectives of the PES include also helping disadvantaged groups, other policy choices could be made. Then it would probably be more useful to search primarily for vacancies that are suited for people from the target groups and to give active assistance (selection and referral) to employers. When the PES makes selections of jobseekers and refers them to the employer, it can take care that also people from target groups (if qualified for the job) are referred to employers. When employers themselves make selections from groups of applicants, people from disadvantaged groups may have less chance to be invited for an application interview than in the case the PES is in between.

### 3.4 PURPOSES FOR PES INVOLVEMENT IN CAPTURING AND PROCESSING VACANCIES

Within the framework of their main objectives PESs can be involved with the capturing and processing of vacancies for several purposes. They can, for example, strive to obtain a sufficient number of job vacancies for efficiency purposes. PESs for example could have the purpose to increase the transparency of the labour market by offering jobseekers access to as many job vacancies as possible, to fill job vacancies better and quicker or to improve the labour market matching between vacancies and jobseekers in general. On the other hand, PESs could also be oriented on equity purposes. Then the purpose of acquiring and processing vacancies is more seen as a necessary input for job brokerage activities for the unemployed and especially disadvantaged groups among the unemployed. A third type of purpose is that the information about captured vacancies is an input for labour market analysis.

In the questionnaire we asked the PESs for which purposes they are involved in the capturing and processing of vacancies. PESs have chosen on average almost five of the six predefined answers given in the questionnaire (see table 3.2). So, the table clearly shows that most PESs answer that they obtain and process vacancies for both efficiency and equity purposes.

A couple of PESs however take a very specific position in this respect as can be derived from the relatively small number of answers they gave on this question. The first PES taking a specific position is the one of Finland that gives clear priority to transparency, the better and quicker filling of vacancies and labour market analysis. So, the Finish PES seems to be very much focused on the efficiency of the labour market. The Spanish PES is also mainly focused on efficiency purposes. In addition to the answers given by the Finish PES the Spanish PES also mentions the purpose of job brokerage activities for job seekers in general. The third one is the PES of Brussels (l'ORBEM) that is very much oriented on job brokerage activities for the Brussels inhabitants in general and also uses information about the captured vacancies for labour market analysis. The Swedish PES combines efficiency purposes (transparency and better and quicker filling of vacancies) with the most pronounced equity purpose (job brokerage activities for disadvantaged groups). We observe that this is completely consistent with its main overall objectives (see the previous section). The Swiss PES also has a specific set of purposes: it does combine efficiency and equity purposes, but not the most extreme ones (increasing transparency and job brokerage for disadvantaged groups). This is also consistent with the main overall objectives of the Swiss PES.

Finally, for a number of PESs we observe differences between the main overall objectives and the purposes for being involved in the processing of vacancies. The PESs of Austria, Flanders, Wallonia, Iceland, Luxembourg, the Netherlands, Norway and Portugal report that they also capture and process vacancies to be an input for job brokerage activities for disadvantaged groups. But looking at their main overall objectives in table 3.2 it seems that the support of disadvantaged groups (such as long-term unemployed) is not explicitly included in their set of objectives. For the PESs of Flanders, Luxembourg, the Netherlands, Norway and Portugal however it could be that supporting disadvantaged groups is implicitly included in the main overall objective to promote the good functioning of the labour market. On the other hand, one of the main objectives of the PES of Finland is to support disadvantaged groups, but it seems that the capturing and processing of vacancies is not seen as an input for that activity. It is possible however that the Finnish PES is using mainly other instruments (than job brokerage) to support disadvantaged groups.

Table 3.2 Purposes of PESs to be involved with the capturing and processing of vacancies (EU/EEA countries)

PES of	To increase transparency	To fill vacancies better and quicker	Input for job brokerage in general	Input for job brokerage for unemployed	Input for job brokerage for disadvantaged groups	Input for labour market analysis	Other purposes
Austria	X	X	X	X	X		
Belgium – Brussels			X			X	Organisation of recruitment. Equal access of job vacancies for all inhabitants of Brussels
Belgium – Flanders	X	X	X	X	X	X	
Belgium – Wallonia	X	X	X	X	X	X	
Denmark	X	X	X	X	X	X	
Finland	X	X				X	To improve the placement of unemployed in the open labour market and to raise the market rate of PES
France	X	X		X	X	X	
Germany	X	X	X	X	X	X	
Great Britain	X	X	X	X	X	X	
Iceland		X	X	X	X	X	Information for public use for labour market policy
Ireland		X	X	X	X	X	Work permit procedure and distribution of opportunities in Employment Schemes
Italy		X	X	X	X		
Luxembourg	X	X	X		X	X	
Netherlands	X	X	X	X	X	X	
Norway	X	X	X	X	X	X	
Portugal		X	X	X	X	X	
Spain	X	X	X			X	
Sweden	X	X			X		

PES of	To increase transparency	To fill vacancies better and quicker	Input for job brokerage in general	Input for job brokerage for unemployed	Input for job brokerage for disadvantaged groups	Input for labour market analysis	Other purposes
Switzerland		X		X		X	
<b>Total</b>	<b>13</b>	<b>18</b>	<b>15</b>	<b>14</b>	<b>15</b>	<b>16</b>	

Source: SEOR questionnaire.

So only a couple of PESs in the EU/EEA have a specific orientation on this point. Many PESs focus both on efficiency and equity purposes. An important question is how the PESs, both those with and those without a specific orientation, have put their purposes in practice via policies, procedures and activities. This we will study in the chapters 4 and 5.

If we look at the purposes of PESs of the accession countries we can see four countries that are mainly focused on efficiency purposes: Estonia, Hungary, Lithuania and Slovenia. Apart from this Hungary and Slovenia mention also the purpose of an input for labour market analysis. The PESs of Cyprus, Czech Republic, Latvia, Poland and Slovakia focus both on efficiency and on equity purposes. The PES of Malta mentions the purposes of job brokerage in general and labour market analysis.

Table 3.2(A) Purposes of PESs to be involved with the capturing and processing of vacancies (accession countries)

PES of	To increase transparency	To fill vacancies better and quicker	Input for job brokerage in general	Input for job brokerage for unemployed	Input for job brokerage for disadvantaged groups	Input for labour market analysis	Other purposes
Cyprus	X	X	X	X	X	X	
Czech Republic	X	X	X	X	X	X	
Estonia		X	X				
Hungary		X	X			X	
Latvia		X	X	X	X	X	
Lithuania		X	X				
Malta			X			X	
Poland		X	X		X	X	
Slovak Republic		X	X	X	X	X	
Slovenia	X	X	X			X	

Source: SEOR questionnaire.

### 3.5 SIZE OF THE PES-STAFF AND DENSITY OF NETWORK OF OFFICES

It is hard to make comparisons between PES resources at international level<sup>8</sup>. The main reason is that there are subtle differences between countries in terms of PES-functions themselves and also in the way these functions are distributed over organisations. One of the functions in this respect is the administration of unemployment benefits. The PESs of Great Britain, Spain and Switzerland, for example, are currently responsible for that. Another PES function is training (of unemployed and sometimes also employed). In some countries the PES has its own training institutes whereas in other countries, like in the Netherlands, the PES does not have its own training institutions (anymore).

Despite these difficulties we tried to compare PESs in respect to the relative number of staff. We computed the volume of salaried employed (number of employees) in the economy per staff-member and also the number of employees in the economy per local office of the PES<sup>9</sup>. The results per PES are presented in table C.3 in Annex C. Given the difficulties described above the results should be interpreted very carefully.

First of all we calculated the number of employees in the economy per PES staff member. This is meant to get some indication of the “intensity” of the PES work. The results indicate that:

- The number of employees in the economy per PES-staff member is relatively small in Belgium, Germany, Great Britain and Sweden. This means that these PESs have a large staff compared to other PESs in Europe. For Great Britain it should however be noticed that it includes the administration of unemployment benefits (and working age pensions). The fact that the PESs of Sweden and Great Britain are well staffed compared to other PESs goes in line with the conclusions in the earlier publications in this field<sup>10</sup>.
- The PESs of Iceland, Ireland, Italy, the Netherlands, Spain and Switzerland have a small staff-size compared to the other PESs. In Spain and Switzerland this even includes the administration of unemployment benefits. For Spain this result corresponds with OECD-figures for the year 1988.
- The PESs of Austria, Denmark, France, Norway and Portugal are in between the two previous groups. The fact that the PES of France is less well staffed than its equivalents in Germany, Sweden and Great Britain is also reported by the ILO<sup>11</sup>.

In the questionnaire the PESs were asked which percentage of total staff deals with (respectively which part of total staff time is spent on) the intake and processing of vacancies. See again table C.3 in Annex C. The provided answers vary considerably between PESs. The reported percentages by the Netherlands and Finland seem to be not realistic, while the PESs of Great Britain and Italy report a very low percentage (just over 1 percent). In many cases the reported percentage is between 10 and 25 percent. It is quite possible that PESs have interpreted this question differently, but it is also possible that the answers reflect the different ways in which PES-staff is used in the processing of vacancies.

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<sup>8</sup> See also Thuy et al, 2001, page 29 – 34.

<sup>9</sup> Commonly the labour force or the number of unemployed per PES staff-member are used as indicators in this respect. In this study however we focus on the demand side of the labour market. That is why we use the number of employees in the economy per PES staff-member and per PES local office.

<sup>10</sup> See Thuy et al, 2001, page 31 – 32.

<sup>11</sup> See Thuy et al, 2001, page 32.

As said, we also calculated the number of employees in the economy per local PES-office as an indicator for the “density” of the PES network of offices. When we look at the received figures several groups of countries can be distinguished:

- The PESs of Belgium, Finland, Great Britain, Norway, Spain, Sweden and also Iceland have a relatively dense network of local offices. For those PESs the number of employees in the economy per office varies from 10.000 to 20.000 (except for the PES of Iceland which even has a lower value);
- For Austria, France, Germany and Switzerland this indicator is between 20.000 and 40.000 employees in the economy per PES-office;
- The PESs of Denmark, Ireland, Luxembourg, the Netherlands and Portugal have a relatively low density of offices.

In the accession countries the number of employees in the economy per PES-staff member is relatively low for the PESs of Lithuania and Slovakia and relatively high for Cyprus, Estonia and Latvia (see table C.3(A) in Annex C). The latter PESs also have a relatively low density of local offices, while the PESs of Hungary, Lithuania, Malta and Slovenia have a relatively dense network of offices.

In the accession countries the share of staff dealing with vacancies also varies significantly, from 2 percent in Slovakia and Malta to 47 percent in Cyprus and 80 percent in Estonia.

It will be clear that differences between PESs in this respect may influence the performance of PESs in obtaining and processing vacancies. We will come back to this point in section 3.7.

### **3.6 LABOUR MARKET STRUCTURE AND SITUATION**

We switch from the institutional setting of the PESs to the “environment” by briefly analysing some characteristics of the labour markets in which PESs operate. This is only done for the EU/EEA countries. In the table 3.3 some indicators for the labour market structure and situation are presented:

- The share of employment in industry (mining and quarrying, manufacturing, electricity/gas/water and construction) in total employment;
- The share of employment in commercial services (wholesale and retail/repair, hotels and restaurants, transports and communications, financial intermediation and real estate/business activity) in total employment;
- The share of employment in public services and other services in total employment;
- The share of temporary employees in the total employment of employees;
- Average usual weekly hours of work for all employees as percentage of the average usual weekly hours of work for full-time employees as an indicator for part-time employment;
- The unemployment rate as an indicator of the tightness of the labour market.

The most important observations are:

- The employment structure as presented differs between countries. Germany, Portugal, Spain and Italy have the largest shares of industry in total employment. The share of employment in commercial services in total employment is high in Austria, Great Britain, Ireland, Luxembourg and the Netherlands. The share of public and other services is high in Belgium, Denmark, France, Norway and Sweden.
- The share of temporary employees in the total number of employees is relatively high in Spain, Portugal, Finland, France, Sweden and the Netherlands and relatively low in Great Britain, Iceland, Ireland and Luxembourg.

- Part-time employment is relatively strong present in The Netherlands, Iceland, Switzerland and Great Britain and its share is relatively low in Spain, Portugal, France, Italy and Finland.
- In 2002 the unemployment rate was relatively low in Iceland, Luxembourg, the Netherlands and Switzerland. Unemployment is relatively high in Finland, France, Germany, Italy and Spain.

In Austria, Ireland, Luxembourg, the Netherlands, Portugal, Iceland and Switzerland the increase of the unemployment rate in 2002 has been relatively strong.

*Table 3.3 Context for PES activities: labour market indicators 2002 (EU/EEA-countries)*

Country	% of employment in industry 2001	% of employment in commercial services 2001	% of employment in public and other services 2001	% temporary employees in all employees 2001	Average weekly hours all employees/full time employees 2001	Unemployment rate 2002
Austria	29%	40%	25%	8%	0,92	4,9%
Belgium	25%	38%	35%	9%	0,91	6,9%
Denmark	25%	36%	35%	9%	0,90	4,3%
Finland	27%	35%	32%	18%	0,94	10,4%
France	26%	36%	34%	15%	0,93	8,7%
Germany	33%	35%	29%	12%	0,89	8,5%
Great Britain <sup>a)</sup>	25%	42%	31%	7%	0,86	5,0%
Iceland	23%	39%	31%	5%	0,84	3,0%
Ireland	29%	40%	24%	3%	0,91	4,3%
Italy	32%	35%	28%	10%	0,96	9,2%
Luxembourg	22%	44%	33%	4%	0,95	2,6%
Netherlands	20%	40%	31%	14%	0,78	2,6%
Norway	22%	37%	37%	9%	0,90	4,0%
Portugal	34%	30%	23%	20%	0,98	4,5%
Spain	32%	38%	24%	32%	0,95	11,1%
Sweden	24%	36%	37%	15%	0,90	5,0%
Switzerland	24%	39%	30%	11%	0,84	2,9%

*a) Figures for the UK.*

*Source: Eurostat LFS.*

### **3.7 RELATIONSHIPS BETWEEN RANKING ORDER FOR PES MARKET PENETRATION AND CHARACTERISTICS OF THE CONTEXT**

Table 3.4 gives the ranking order of the EU/EEA PESs according to the degree of the market penetration. This table also provides some main institutional characteristics of the context for PES-activities. We observe that:

- There is no clear relation between the market penetration and the status/position of the PES. Both at the bottom and at the top of the ranking order PESs can be found which are part of a ministry as well as PESs which are independent public organisations;

- Four of the five PESs with a high market penetration did not go through significant changes in their position or structure during the last decade. The exception is the PES of Great Britain that became part of a ministry in 2002 and started to administer benefits in 1996. On the other hand three of the four PESs at the bottom of the ranking order for market penetration were confronted with significant changes during the last decade;
- There is also a correlation between market penetration and changes in the main overall objectives of the PES. For three of the four PESs at the bottom of the ranking order for market penetration the objectives have changed since 1990. The main overall objectives of the five PESs at the top of the market penetration ranking order did not change since then;
- There is no clear relation between market penetration and the orientation of the main overall objectives of the PES and the purposes for which the PES is engaged in obtaining and processing vacancies. The main overall objectives and the purposes for obtaining and processing vacancies are commonly very broad, so hardly any distinctions between PESs can be made in this respect;
- Notwithstanding that we have to be careful to compare figures about the size of the staff between PESs, it is remarkable that the size of the staff of three of the PESs with a low market penetration is relatively small. The PESs with a relatively large size of the staff all have a medium or high market penetration. The correlation between relative PES-staff size and market penetration is not perfect however: the PESs of France, Norway and Spain are at the top of the ranking order for market penetration but have an average (Norway and France) or a relatively small (Spain) staff. A similar relation between market penetration and relative staff-size however exists for the PESs of the accession countries.
- The ranking order for PES market penetration also correlates with the density of the PES-network of offices. Out of the five PESs with a high market penetration three have a high density of local offices and one has an average density of offices. Only Luxembourg has a low density of offices. Iceland is the only PES with a low market penetration that has a high density of offices (however with an average size of just over 1 staff member). This relation also to a certain extent exists for the PESs of the accession countries.

These results could mean that a certain degree of stability in the position and structure of the PES is supportive to acquire a substantial access to vacancies. The same may apply to stability in objectives, which may be correlated with stability in PES position and structure. Furthermore, it seems that PESs with a relatively large staff and PESs with a relatively high density of local offices generally have a relatively high market penetration. But we have to be very careful to draw definite conclusions in this respect because:

- only partial relationships between relative market penetration and individual factors that may affect market penetration are analysed (the number of observations is too small to carry out quantitative econometric analysis with more ‘explaining’ factors at the same time);
- the data about the characteristics of the context are obtained by the questionnaire and may be biased to a certain extent;
- as earlier said it is hard to compare the data about the size of the PES-staff between PESs because of differences in functions and organisational structure;
- there is no certainty about the causality: it may for example be that stability in objectives positively affects PES performance, but it could also be that objectives are not changed because the performance of the PES is good.

Nevertheless the results of our analysis, including those in the next three chapters, may help to make some further steps to gain more insight into the relations between certain aspects of PES-performance, characteristics of the institutional context, characteristics of the labour market and characteristics of strategies, policies and activities of PESs.

Table 3.4 Ranking order for PES market penetration and some main institutional characteristics of the general context of PES activities (EU/EEA-countries)

Country	Market penetration	Changes in the structure/ position of PES	Status of PES: part of the ministry/ independent	Orientation of main overall objectives	Recent change in the objectives	Purposes to capture and process vacancies <sup>a)</sup>	Size PES-staff compared to employment <sup>b)</sup>	Density of PES-network of local offices <sup>c)</sup>
Austria	Medium	Yes	Independent	Stress help to jobseekers and employers and information provision	Yes	EFF/EQ	Middle	Middle
Belgium – Brussels	Medium	Not significant	Independent	Very general with stress on promotion of good functioning of the LM (“match”) and implementation of employment policy	Yes	Mainly EFF	Large	High
Belgium – Flanders		Yes	Independent	Very general with stress on promotion of good functioning of the LM (“match”)	No	EFF/EQ		
Belgium – Wallonia		Not significant	Independent	Manifold objectives	Yes	EFF/EQ		
Denmark	Medium	Yes	Part of min.	-	-	EFF/EQ	Middle	Low
Finland	Medium	Not significant	Part of min.	Stress on good functioning of the LM (“match”) and support of disadvantaged	Yes	EFF	-	High
France	High	No	Independent	Stress help to jobseekers and employers and support of disadvantaged	No	EFF/EQ	Middle	Middle
Germany	Medium	Yes	Independent	Manifold objectives, including training	No	EFF/EQ	Large	Middle
Great Britain	High	Yes	Part of min.	Manifold objectives, including training	No	EFF/EQ	Large	High
Iceland	Low	Yes	Part of min.	Stress on monitoring and coordinating the Regional employment offices gathering information from them and formulating recommendations	Yes	EFF/EQ	Small	High
Ireland	Medium	Yes	Independent	Stress help to jobseekers and employers and support of disadvantaged	Yes	EFF/EQ	Small	Low
Italy	Not available	Yes	Independent	Manifold objectives	Yes	EFF/EQ	Small	-
Luxembourg	High	No	Part of min.	Very general with a stress on good functioning of the LM (“match”)	No	EFF/EQ	-	Low

Country	Market penetration	Changes in the structure/ position of PES	Status of PES: part of the ministry/ independent	Orientation of main overall objectives	Recent change in the objectives	Purposes to capture and process vacancies <sup>a)</sup>	Size PES-staff compared to employment <sup>b)</sup>	Density of PES-network of local offices <sup>c)</sup>
Netherlands	Low	Yes	Independent	Stress on filling vacancies, good functioning and transparency of the LM ("match") and dealing with benefits	Yes	EFF/EQ	Small	Low
Norway <sup>a)</sup>	High	Not significant	Independent	Manifold objectives, mainly efficiency oriented	No	EFF/EQ	Middle	High
Portugal	Low	No	Independent	Stress on "match", "train" and information provision	No	EFF/EQ	Middle	Low
Spain	High	Not significant	Part of min.	Stress to help jobseekers and employers and "train"	No	Mainly EFF	Small	High
Sweden	Medium	Not significant	Part of min.	Stress on "match", support disadvantaged and "train"	No	EFF/EQ	Large	High
Switzerland	Low	Yes	Part of min.	Stress help to jobseekers, employers and disadvantaged as well as dealing with benefits	Yes	EFF/EQ	Small	Middle

a) EFF= efficiency and EQ=equity

b) Large = less than 500 employees in the economy per PES-staff member; Middle = 500 – 1.000 employees per PES-staff member; Small = more than 1.000 employees per PES-staff member

c) High = less than 20.000 employees in the economy per PES-office; Middle = 20.000 – 40.000 employees in the economy per PES-office; Low = more than 40.000 employees in the economy per PES-office.

Source: SEOR questionnaire.

The following relations between the ranking order for PES market penetration and labour market structure and situation can be observed:

- Three (the Netherlands, Portugal and Switzerland) of the four countries at the bottom of the ranking order for PES market penetration have a relatively high share of temporary employees. This however also applies to Spain and France that are at the top of the ranking order;
- Again three (Iceland, the Netherlands and Switzerland) of the four countries at the bottom of the ranking order have a relatively high share of part-time work. For four of the five countries at the top of PES market penetration have an average (Norway) or low (France, Luxembourg and Spain) proportion of the part-time work ;
- All four PESs at the bottom of the ranking order (for PES market penetration) have a relatively low unemployment rate. However, this is also true for three of the five countries of the PESs at the top of the ranking order.

So, we conclude that the relationship between PES market penetration and characteristics of the labour market are not unambiguous, except for the proportion of part-time work.

### **3.8 SUMMARY AND CONCLUSIONS**

Approximately 60 percent of the PESs of EU/EEA countries have reported that they are an independent public organisation. The others are part of a ministry. In the accession countries the picture is similar: 50 percent are independent organisations and 50 percent belong to a ministry. But it should be clear that the complexity of the PES organisations cannot be expressed in one simple indicator.

The majority of PES of EU/EEA countries went through significant changes in position and structure during the last decade. Exceptions are the PESs of France, Portugal and Luxembourg. The reported changes by the PESs seem to be relatively small for Brussels, Wallonia, Finland, Norway, Spain and Sweden. The PESs in the majority of the accession countries were established in 90-s and had a lot of reforms. The (logical) exceptions in this respect are Cyprus and Malta.

The objectives of the EU/EEA PESs are formulated very differently. The four types of objectives mentioned most often are:

- To help jobseekers to ultimately find the (best possible) job;
- To help employers to find the most suitable staff;
- To promote the good functioning/regulation of the labour market;
- To support disadvantaged groups, prevent/reduce long-term unemployed, and so on.

The conclusion is that many PESs have rather general and broad objectives. For a number of PESs the objectives tend to stress the efficient working of the labour market. The objectives of some other PESs also explicitly stress the importance to take action for disadvantaged people.

As far as objectives changed during the last decade, two tendencies are leading. In the first place some PESs emphasise the move from an organisation being mainly focused on unemployed towards a service-oriented organisation focused on both market sides. Secondly, a (smaller) number of PESs emphasise a greater emphasis on policies and measures to activate jobseekers (preventive approach, pathways, gatekeeping function for social security).

The main objectives of the PESs in the accession countries are quite similar to the objectives in the EU member states – contribute to smooth operation of the labour market; provide

employment services to jobseekers and employers; assist most disadvantaged groups, etc. These PESs more often than EU/EEA-PESs mention the provision of training services to clients and vocational guidance as an objective.

In theory the main overall objectives should give direction to the activities of PESs in many respects. This of course also applies to the processing of vacancies. Given the main objectives still several choices however are possible in this respect, but if the PES-objectives tend to stress the efficiency of the labour market the choices should be somewhat different than when (also) equity objectives are included in the set of objectives. In the latter case it is more likely that the PES has chosen to be still in between (employers and jobseekers) to improve the chances of people from target groups.

Regarding the purposes for which the PESs are engaged in obtaining and processing vacancies we concluded that most PESs in this respect are focusing both on efficiency and on equity purposes. A number of PESs however take a very specific position. Both the Finnish and the Spanish PES give a clear priority to transparency. ORBEM in Brussels is very much oriented on job brokerage activities for the Brussels inhabitants in general. The Swedish PES combines efficiency purposes (transparency and a better and quicker filling of vacancies) with the most pronounced equity purpose (job brokerage activities for disadvantaged groups). The Swiss PES also combines efficiency and equity purposes, but not the most extreme ones. In the accession countries four PESs tend to emphasise efficiency purposes and five others combine efficiency and equity purposes.

For some PESs there are differences between the main overall objectives and the purposes for being involved in the processing of vacancies. The PESs of Austria, Flanders, Wallonia, Iceland, Luxembourg, the Netherlands, Norway and Portugal report that they also capture and process vacancies as an input for job brokerage activities for disadvantaged groups, but it seems that the support of disadvantaged groups (such as long-term unemployed) is not explicitly included in their set of overall objectives. For some of these PESs the support to disadvantaged groups may be implicitly included in the main overall objective to promote the good functioning of the labour market.

So, the involvement of PESs in obtaining and processing vacancies seems not to be based on, and embedded in very specific policies that lead to clearly different profiles of PESs. As we already noticed, only a couple PESs take very specific positions in this respect while most PESs report that they obtain and process vacancies for a broad range of purposes. This is an important reason to carry out comparative analysis of vacancy processing at European level: it may help PESs to improve the coherence and articulation of their policies in this respect.

Although it is difficult to make good comparisons for several reasons, it seems that some PESs (those of Belgium, Germany, Great Britain and Sweden) are better staffed than others. The PESs of Iceland, Ireland, Italy, the Netherlands, Spain and Switzerland seem to have a relatively small staff-size. For Spain and Switzerland, for example, this even includes the administration of benefits. There are also differences between PESs in the density of the network of PES-offices. The PESs of Denmark, Ireland, Luxembourg, the Netherlands and Portugal have a relatively low density of offices compared to other PESs.

Finally, we analysed the relationships between the ranking order for PES market penetration and characteristics of the institutional context and the national labour market. It appeared that:

- There is no clear relation between the PES market penetration and the status/position of the PES, the orientation of the main overall objectives of the PES and the purposes for which the PES is involved in obtaining and processing vacancies.
- That stability in position, structure, role and main overall objectives of the PES is positively correlated with the relative level of PES market penetration.
- There seems to be a positive, but not a perfect, correlation between PES market penetration and the size of the PES-staff size compared to the volume of employment in the economy.

- The density of the network of PES-offices is positively related with the ranking order of PES market penetration.
- As far as labour market indicators are concerned there is no clear relation between the the sectoral structure of employment, the share of temporary employees in the total number of employees and the unemployment rate with the ranking order for market penetration.
- The share of part-time work on the labour market is negatively correlated with the relative PES market penetration: in general PES market penetration is lower when the share of part-time work is higher.

For several reasons, however, we have to be very careful with drawing definite conclusions: (a) only partial relationships were analyzed, (b) the data obtained through the questionnaire may be biased to some extent, (c) it is very difficult hard to compare data about the size of the PES-staff in different countries, (d) there is no certainty about the causality of the relations. Nevertheless we think that the obtained results give a very good starting point for discussions between PESs and further comparative studies.

## 4 THE NATURE OF THE CAPTURED VACANCIES

### 4.1 INTRODUCTION

This chapter contains information about the nature of captured vacancies in the different countries. Differences between countries in market penetration (and also differences in vacancy durations) may be caused by differences in the nature of captured vacancies. Firstly, we briefly discuss information about which types of vacancies are not accepted by the PESs in the various countries (section 4.2) and whether an obligation exists for employers to notify vacancies to the PES (4.3).

Subsequently, we look at the nature of captured vacancies in section 4.4. What is, within the total number of captured vacancies by the PESs, the proportion of durable jobs, what is the proportion of full time jobs and what is the proportion of vacancies for subsidized jobs?

Section 4.5 presents some information about recruitment requests that tend to stay open relatively long in the PES-registrations.

In section 4.6 differences in the nature of captured vacancies between PESs are related to the ranking order for PES market penetration to see whether certain relationships or correlations exist between differences in market penetration between PESs and differences in the nature of captured vacancies between PESs.

In section 4.7 we address the question whether the data that the PESs (will) produce for the EPVM could be made more comparable to each other, for example by excluding certain types of vacancies.

So, this chapter is primarily dealing with the research questions about the nature of captured vacancies. Some countries provided us with this kind of information according to occupational groups. Where this is useful, this information will be presented.

Section 4.8 contains the summary and the main conclusions of this chapter.

### 4.2 TYPES OF VACANCIES NOT ACCEPTED BY THE PES

In most countries vacancies that offend against relevant labour (market) law and vacancies related to the sex-industry are not accepted by the PES. Concerning relevant laws you may think of minimum wage legislation, anti-discrimination legislation and legislation in the field of occupational health and safety. What follows is an overview of the answers given by the PESs in our questionnaire.

The **Austrian PES** has to accept all vacancies that concern a fully social insured job. All other job offers can be accepted, but this is up to the regional offices.

In **Brussels** for example vacancies from employers that discriminate and vacancies for which the minimum wage legislation is not followed, will not be accepted by the PES. Also in **Flanders** and **Wallonia** discriminating vacancies with respect to age, race, sex and religion are not accepted. The VDAB in Flanders furthermore reports that vacancies from TWA's and vacancies for self-employment are accepted, but only distributed by PES-channels.

In **Great Britain** the following vacancies are not accepted:

- Those which contain unlawful criteria, for example discrimination.
- Those which could involve a breach of the law if someone were employed.
- Where there is a doubt about Health and Safety issues.
- Where the person employed may be asked to break the law as part of the job.

- Where complaints from jobseekers suggest the vacancy may be doubtful, undesirable or not genuine.
- Jobs involving nudity and/or connected to sexual activity.
- Medical research – where customers are asked to test new drugs.
- Vacancies involving work for non-registered charities.
- Vacancies from employers on the Employers Under Review list.
- Vacancies who are subjects of a national or regional warning.

Vacancies for less than 8 hours per week are not in Great Britain's vacancy statistics.

In **Finland** vacancies that are indiscrete, immoral, discriminative or unequal and vacancies that endanger the employee's physical and mental health are not accepted. If the employer behaves in such a way that it is suspected that the vacancies are like the ones mentioned before, the vacancies will also not be accepted. Furthermore, the PES in Finland does not actively look for vacancies for jobs with provision payment, such as (telephonic and door-to-door) sales jobs.

The Arbeitsamt in **Germany** does not accept vacancies that are against the law and vacancies that are opposing good morals. Also vacancies for prostitutes are not accepted. Whereas in Great Britain vacancies for less than 8 hours are not in the statistics, in Germany vacancies for less than 8 calendar days are normally not included in the statistics.

Employers in **Iceland** who have not fulfilled their obligations with respect to payment of payroll tax are not serviced by PES.

Also the FAS in **Ireland** accepts standard labour market vacancies which adhere to relevant labour market law, for example minimum wage, equality legislation, etcetera. Vacancies in the sex industry and its related personal services that cause offence to, or comprise the customers of FAS are not accepted. The latter also holds for the **Netherlands**: CWI does not accept vacancies for sex industry related jobs.

In **Luxembourg** according to the law all vacancies should be notified to the PES.

The occupation and the working conditions outlined in the vacancy text must be in terms with national legislation in **Norway**. The Norwegian PES does not actively seek for vacancies from external websites.

In **Portugal** job vacancies must satisfy the requirements imposed by General Law or by applicable regulations and technical norms established by the PES (like juridical legal constitution of employers, wage proposals that are higher than guaranteed minimum wage or the wage levels in company agreements or collective agreements for the sector, no signs of discrimination, and so on). The Portuguese PES (IEFP) also does not accept vacancies from private placement agencies or from personnel recruitment and selection companies, as far as they are intermediaries on the market, and not final employers.

INEM in **Spain** does not accept vacancies from illegal enterprises (enterprises that do not have an enterprise registration number, that do not pay social security premiums or that do not pay taxes) and in **Switzerland** for example vacancies with wages below minimum wage legislation and vacancies that do not comply to labour regulations are not accepted by the PES.

AMS in **Sweden** publishes all vacancies that are within the legal framework in Sweden, with a few exceptions like vacancies connected to pornographic activities.

In the accession countries we come across the following cases:

In **Cyprus** vacancies are not accepted if the terms and conditions of employment offered are either contrary to existing legislation or unreasonably out of line with current practices.

**Czech Republic** reports that certain vacancies that are mentioned in a special law are not registered (vacancies in such sectors as army, police, etcetera.).

In **Hungary** all vacancies are taken 'except for odd jobs of one or two days'. The PESs of **Latvia** and **Malta** accept all types of vacancies in terms of contract duration, number of working hours, sector/profession and other job characteristics. In **Slovenia** all vacancies have to be notified according to the legal provisions. The **Polish** PES does not accept vacancies that are discriminating against people.

The PES in **Lithuania** does not accept illegal employment, short term jobs and jobs opposing labour hours.

The National Labour Office in **Slovakia** does not register vacancies that arise upon the base of a trade licence or vacancies for which there will be no labour relation between employer and employee.

### **4.3 OBLIGATIONS FOR EMPLOYERS TO NOTIFY VACANCIES**

In most of the EU/EEA-countries there is no obligation for employers to notify vacancies to the PES. In certain countries however an obligation exists, such as in Belgium, Finland, Norway, Luxembourg and Sweden.

In **Belgium** the obligation is for all companies with more than 20 employees, but there are certain exceptions (for example for direction posts). The obligation does not apply to vacancies from TWA's and from commercial intermediaries.

In **Finland** social partners have agreed upon the so-called ILMO-agreement. It defines that employers have to report all vacancies to the PES. There are some minor exceptions. This has also been included in the Act on Public Employment Services. According to ILMO-agreement the employers also have to inform PES on beforehand about all noticeable changes in recruitment and reduction of employees. An effect on the number of notified vacancies is primarily seen in the public sector that has reported almost all vacancies to PES, but it is indicated by the Finnish PES that the quality of PES-services will have stronger impacts on the notification of vacancies than obligations.

In **Luxembourg** notification of vacancies is obliged by law (public sector employers are not obliged to notify the vacancies to the PES) and in **Norway** the obligation to notify vacancies to the PES is included in the Act of Employment. When employers do not comply with the obligation, the Norwegian PES is authorised to take the information about vacancies from the newspapers and to distribute this information through PES-channels.

The law in **Sweden** includes that all vacancies for jobs with a duration of at least 10 days must be notified to the PES. The Swedish PES (AMS) itself does not think that this has an effect on the number of notified vacancies.

Furthermore, in **Ireland** there is no general obligation, but vacancies in the framework of a Work Permit procedure have to be notified to the FAS. The responsible authority will not provide a Work Permit if there is no appropriate documentation from the FAS. In **Switzerland** the canton of Geneva has introduced an obligation for employers in the canton to notify vacancies to the PES.

Whereas in the majority of EU/EEA-countries such an obligation does not exist (anymore), in nine of the ten accession countries an obligation for employers to notify their vacancies to the PES exists. In seven countries (Czech Republic, Estonia, Hungary, Lithuania, Poland, Slovak Republic and Slovenia) it is a general obligation. In Malta and Cyprus the obligation only applies to (parts of) the public sector. In Latvia the obligation to notify vacancies to the PES was abandoned in the summer of 2002.

#### 4.4 NATURE OF CAPTURED VACANCIES

In chapter 2 we presented the numbers of vacancies captured by the PESs in the year 2002. In this section we will look at the nature of these vacancies.

We will first pay attention to the question if PESs in their vacancy statistics report in numbers of vacancies or in numbers of jobs/positions. Because a vacancy can be for a single job (for a single position) or for a number of jobs/positions this is a relevant question in the framework of the EPVM. The conclusion is that all PESs in EU/EEA-countries (the PESs of Germany, Iceland and Sweden however did not answer this question), use the number of positions/jobs in their own vacancy statistics (see table C.4 in Annex C). The PESs of Flanders, Great Britain and Ireland use both the number of positions/job offers and the number of vacancies in their own statistics. Flanders uses the number of vacancies only for internal purposes (to determine the workload). Both in Finland and in Norway vacancies for more than one position are split up in the database before they are counted. In the majority of countries for which this information is available at least 90 percent of the vacancies concern vacancies for a single position. In Ireland, Iceland, France and too a lesser extent Great Britain the share of vacancies for a number of positions is high compared to other countries. Some PESs in the accession countries are using vacancies in their statistics. This applies to the PESs of Latvia, Malta and the Slovak Republic (see table C.4(A) in Annex C).

Table 4.1 gives the proportion of durable, short-term and very short-term jobs in the total number of captured vacancies for the various countries. Very different classifications are used by PESs in this respect. We also have to take into account that the (foreseen) duration when the vacancy is notified in the end can be different from the duration of the actual employment contract.

Nevertheless, it is remarkable that in many countries the proportion of vacancies for permanent contracts or the proportion of vacancies for durable jobs (for 1 year or longer) is somewhere between 60 and 75 percent. In Flanders, Finland, France and Norway the proportion of durable jobs seems to be substantially lower than in the other countries. This probably also applies to Denmark and Sweden. In Switzerland the proportion of durable jobs is very high compared to other countries. Remarkable is the decline in the proportion of vacancies for durable jobs in Ireland between 2000 (80 percent) and 2002 (65 percent), which is related to the introduction of the new Work Permit procedure in 2002.

*Table 4.1 Proportion of durable, short-term and very short-term jobs in the total number of captured vacancies by the PES in 2002 (EU/EEA-countries)*

Country	Durable (1 year or longer)	Short term (1 month to 1 year)	Very short-term (shorter than 1 month)	Total
Austria	70% (permanent contracts)	30% (others: fixed term, holiday work and seasonal work)	-	100%
Belgium – Brussels	75% (permanent contracts)	25% (temporary/fixed term contracts)	-	100%
Belgium – Flanders	40%	60% (< 1 year)	-	100%
Belgium – Wallonia	-	-	-	-
Denmark		81%	19%	100%
Finland	39%	44%	16%	100%
France	41%	44%	16%	100%
Germany <sup>a)</sup>	63%	18% (3 months – 1 year)	18% (< 3 months and seasonal work)	100%
Great Britain	74% (6 months+)	26% (< 6 months)		100%
Iceland	60%	30%	10%	100%
Ireland	65%	25%	10%	100%
Luxembourg	71% (permanent contracts)	29% (fixed term contracts)	-	100%
Netherlands	59%	41% (< 1 year)		100%
Norway <sup>b)</sup>		54% (1 month +)	46% (< 1 month)	100%
Portugal	76%	24%	0%	100%
Spain	-	-	-	-
Sweden	66% (6 months +)	13% (3 – 6 months)	21% (< 3 months)	100%
Switzerland	87%		13%	100%

a) Vacancies for less than 8 days excluded.

b) Concerns only vacancies directly notified to the PES, so it is excluding vacancies captured through ads in newspapers.

Source: SEOR questionnaire.

From some PESs we received information about the proportions of durable and short-term jobs according to occupational groups. We will focus on the occupational groups for which a relatively large proportion of the notified vacancies concern short-term or temporary jobs.

In Austria notified vacancies for agricultural and forestry occupations, occupations in tourism, domestic and related occupations and occupations in the public administration, education and culture have above average proportions of short-term jobs.

Also in Finland vacancies for agricultural and forestry work are relatively often for short-term jobs. To a lesser extent, this also applies to vacancies for construction work and mining and to vacancies for industrial work.

The PES of Great Britain even provided very detailed figures at SOC 2000 4-digit level. The share of temporary jobs in the notified vacancies is very high for the following categories (for all the vacancies notified to the PES the share of temporary jobs is 26 percent, see table 4.1):

- Nurses (64 percent of the vacancies is for temporary jobs).
- Actors and entertainers (64 percent).
- Nursing auxiliaries and assistants (84 percent).
- Travel and tour guides (61 percent).

- Leisure and travel service operators not earlier classified (61 percent).
- Assemblers, both of electrical products (63 percent) and of vehicles and metal goods (62 percent).
- Packers, bottlers, canners and filers (65 percent).
- Stevedores, dockers and slingers (63 percent).
- Postal workers, mail sorters, messengers and couriers (65 percent).
- Road sweepers (62 percent).

The PES of Norway reports that especially vacancies for occupations in health care and education are for short-term jobs (around 80 percent of the vacancies for these occupations). In Iceland the proportion of vacancies for short-term jobs is for example above average for summer jobs, jobs in the fishing industry and for relief jobs within tourism.

In Portugal relatively high proportions of short-term jobs are reported for skilled agricultural and fishery workers (52 percent of the notified vacancies in 2002 for this occupational group are for short-term jobs), customer service clerks (37 percent) and sales and service elementary occupations (34 percent). These occupational groups respectively belong to the ISCO one-digit groups 6 (agricultural and fishery workers), 4 (clerks) and 9 (elementary operators).

In Sweden in 2002 the proportion of short-term jobs in the notified vacancies is high for (3-digit ISCO groups):

- Writers and creative or performing artists (55 percent is for jobs for less than 1 year).
- Ship and aircraft controllers and technicians (73 percent).
- Travel attendants and related workers (62 percent).
- Personal care and related workers (55 percent).
- Market gardeners and crop growers (71 percent).
- Forestry and related workers (77 percent).
- Metal processing plant operators (90 percent).
- Wood-processing and papermaking-plant operators (74 percent).
- Food and related products machine operators (63 percent).
- Ship's deck crews and related workers (87 percent).
- Messengers, porters, doorkeepers and related workers (58 percent).
- Garbage collectors and related labourers (84 percent).
- Agricultural, fishery and related labourers (99 percent).
- Mining and construction labourers (52 percent).
- Manufacturing labourers (58 percent).

These groups mainly belong to the ISCO one-digit groups 5 (services and sales workers) 6 (agriculture and fishery workers), 8 (plant and machine operators) and 9 (elementary operators).

So, in many countries vacancies for agricultural and fishery occupations are often for short-term jobs and in a number of countries this also applies to some elementary occupations and to teaching professions. Otherwise, the picture is rather mixed.

Most of the PESs in the ten accession countries could not provide the information about the proportion of durable and short-term jobs. In Hungary the proportion of durable jobs is relatively low (53 percent). This also applies to Slovenia, where only a quarter of the vacancies are for permanent employment. For Lithuania the proportion of durable jobs in the notified vacancies to the PES (69 percent) is comparable to many EU/EEA-countries. Malta's PES reports that all notified vacancies are for jobs with a duration of at least one year.

Table 4.2 gives the proportion of vacancies for full-time and the proportion of vacancies for part-time jobs. In most countries 75 to 90 percent of the vacancies are for full-time jobs (35 hours or more per week). In Great Britain, France, Iceland and the Netherlands the proportion of vacancies for full time jobs is lower than in the other countries. This is probably also the case for Ireland. Great Britain, Iceland, Ireland and the Netherlands, together with Belgium, Norway and Switzerland, also have a high incidence of part time employment in total employment<sup>12</sup>. From that perspective the large share of full-time jobs in the notified vacancies to the Swiss PES is remarkable.

*Table 4.2 Proportion of full-time and part-time jobs in the total number of captured vacancies by the PES in 2002 (EU/EEA-countries)*

Country	Full time (35 hours or more per week)	Part-time (less than 35 hours per week)	Total
Austria	76%	24% (definition?)	100%
Belgium – Brussels	81%	19%	100%
Belgium – Flanders	85%	15%	100%
Belgium – Wallonia	72%	28%	100%
Denmark	Not available	Not available	-
Finland	82%	17%	100%
France	70%	30%	100%
Germany	77%	23%	100%
Great Britain	69% (30+ hours per week)	31% (8 – 29 hours)	100%
Iceland	70%	30%	100%
Ireland	89% (20+ hours per week)	11% (< 20 hours per week)	100%
Italy	Not available	Not available	-
Luxembourg	90% (May 2003)	10% (May 2003)	100%
Netherlands	69%	31%	100%
Norway	Not available	Not available	-
Portugal	98%	2%	100%
Spain	Not available	Not available	-
Sweden <sup>a)</sup>	74%	26%	100%
Switzerland	86%	14%	100%

*a) In Sweden 56 percent of the vacancies is for full time jobs and 20 percent for part-time jobs. The other vacancies (25 percent) are both for full-time and part-time jobs. In the percentages in the table this last category is not included.*

*Source: SEOR questionnaire.*

Also with respect of the proportions of full-time and part-time jobs, we received information according to occupational groups from some PESs.

In Austria the share of notified vacancies for part-time jobs is higher than average for agricultural and forestry occupations, domestic and related occupations and cleaners and related occupations.

In Flanders this applies to vacancies for several categories of teaching professionals and to vacancies for health associate professionals, social work associate professionals, several

<sup>12</sup> OECD, *Employment Outlook*, June 2001, page 224.

categories of clerks, personal care and related workers and domestic and related helpers, cleaners and launderers. In the ISCO categories legislators and managers, agricultural and fishery workers, craft and related trades workers, and plant and machine operators the proportion of vacancies for part-time jobs is commonly much lower than average.

In Wallonia the proportion of vacancies for part-time jobs is for example above average for teaching professions, nurses, housekeeping and restaurant services workers, cashiers, tellers and related clerks and transport labourers and freight handlers.

Vacancies for trade occupations have an above average proportion of part-time jobs in Finland.

Proportions for part-time jobs that are far above average are reported by the PES of Great Britain for vacancies for nurses (72 percent), authors and writers (60 percent), actors and entertainers (65 percent), nursing auxiliaries and assistants (89 percent), educational assistants (60 percent), playgroup leaders/assistants (71 percent), sales and retail assistants (58 percent) and retail cashiers and check-out operators (65 percent), bar staff (63 percent) and cleaners and domestic personnel (71 percent).

In Portugal part-time work mainly occurs in teaching professions.

In Sweden the proportion of vacancies for part-time jobs is relatively high for other teaching associate professionals (56 percent), cashiers, tellers and related clerks (39 percent), shop, stall and market salespersons and demonstrators (40 percent), street vendors and related workers (55 percent), domestic and related helpers, cleaners and launderers (40 percent), messengers, porters, doorkeepers and related workers (50 percent), agricultural, fishery and related labourers (49 percent) and transport labourers and traffic freighters (49 percent). It mainly concerns occupations in the ISCO 1-digit group 9 (elementary operators).

Concluding, part-time work seems to be mainly important in vacancies for teaching, sales and trade and in various elementary occupations.

The PESs of the accession countries that were able to provide this information (those of Hungary, Latvia, Malta and Slovenia) in general have higher proportions of full time jobs as most PESs from EU/EEA-countries have, see table 4.2(A). Malta is the exception to this rule.

*Table 4.2(A) Proportion of full-time and part-time jobs in the total number of captured vacancies by the PES in 2002 (accession countries)*

Country	Full time (35 hours or more per week)	Part-time (less than 35 hours per week)	Total
Cyprus	Not available	Not available	-
Czech Republic <sup>a)</sup>	Not available	Not available	-
Estonia	Not available	Not available	-
Hungary	89%	11%	100%
Latvia <sup>b)</sup>	99%	1%	100%
Lithuania	Not available	Not available	-
Malta	76%	24%	100%
Poland	Not available	Not available	100%
Slovakia	Not available	Not available	-
Slovenia	94%	6%	100%

a) PES of Czech Republic has a different classification of vacancies.

b) Full time jobs (for 40 hours per week or more) and part-time jobs (for less than 40 hours per week).

Source: SEOR questionnaire.

The proportion of vacancies for subsidised jobs in the total number of captured vacancies by the PES is low in most countries (see table 4.3). In Belgium (Brussels and Wallonia), Finland and France a relatively large proportion of the captured vacancies is for subsidised jobs. But for France the figure mainly includes vacancies for regular jobs that are partly subsidised when someone from a target group is placed.

In Portugal subsidised jobs are not counted as vacancies notified to the PES and also for some other PESs (Austria, Flanders, Great Britain, Luxembourg, Norway and Spain) this share is relatively low or even nil. In Spain there are no subsidised jobs, only (partly) subsidised contracts. The share in the total labour market is unknown (including special incentives for women and the +40 age group the share of subsidised contracts in the total number of contracts is estimated at 15 to 18 percent).

These differences make a comparison of the data in the EPVM between countries difficult, and it also influences the ranking order of market shares of the PESs. We come back to this point in the next section.

*Table 4.3 Proportion of vacancies for fully subsidised jobs in the total number of captured vacancies by the PES in 2002 (EU/EEA-countries)*

Country	Proportion of captured vacancies that are for subsidised jobs	Comments
Austria	0%	No subsidised jobs in vacancies
Belgium – Brussels	36,6%	The Plan Rosetta excluded
Belgium – Flanders	2,8%	Was somewhat higher in 2000
Belgium – Wallonia	17%	
Denmark	Not available	
Finland	19%	Maybe percentage is somewhat too high
France	17,5%	It mainly concerns vacancies for regular jobs for which a subsidy is given when someone from a specific target group is placed.
Germany	9,1%	This includes vacancies for jobs (Stelle für ABM and Stelle für SAM) that are subsidized for 30 – 75 percent, in special cases (severely disabled) 100 percent.
Great Britain	4,1%	It is only known whether the employer considers a New Deal job seeker. A New Deal job can be fully or partly subsidised.
Iceland	5%	
Ireland	7%	It was 16 percent in 2000. It concerns sponsored employment programmes.
Luxembourg	3 – 4 %	Figure for fourth quarter 2002
Netherlands	Not available	
Norway	1%	
Portugal	0%	Subsidised jobs or the application to programmes and measures for the net creation of jobs are not counted as job vacancies notified to PES
Spain	0%	The question is not relevant for the Spanish situation, no fully subsidised jobs.
Sweden	Not available	
Switzerland	Not available	

*Source: SEOR questionnaire.*

Also in the accession countries there are relatively large differences between PESs in this respect. The PESs of Hungary, Poland and Slovak Republic have high shares of vacancies for subsidised jobs in the total number of vacancies that are notified to them. On the other side the PESs of Cyprus, Estonia, Lithuania and Slovenia have relatively low shares of such vacancies.

Table 4.3(A) Proportion of vacancies for fully subsidised jobs in the total number of captured vacancies by the PES in 2002 (accession countries)

Country	Proportion of captured vacancies that are for subsidised jobs	Comments
Cyprus	0%	There are no jobs fully or almost fully subsidised by the Government
Czech Republic	Not available	
Estonia	2%	
Hungary	44%	Was lower in 2000 (35%)
Latvia <sup>a)</sup>	Maximum 0,6%	In 2000 it was 0%
Lithuania	2%	
Malta	Not available	
Poland	36%	
Slovak Republic	28%	It was much higher in 2000: 42%
Slovenia	0%	

a) *There were created 264 subsidised jobs for unemployed youth within work practice (wage subsidy for unemployed person and subsidy for mentor provided) and 11 subsidised jobs for long-term and pre-retirement age unemployed within social enterprises during 2002. PES Latvia has no information if these subsidised jobs are organised on the vacancies registered in the PES or not. Total number of vacancies notified in 2002 is 48.500, so maximum share of vacancies for subsidised jobs is 0,6%.*

Source: SEOR questionnaire.

Among the employers notifying vacancies to the PES can be Temporary Work Agencies (TWA's) and other staff-leasing enterprises. PESs may have made certain arrangements with staff leasing enterprises to notify (part of) the vacancies of those enterprises to the PES. This could have an important effect on the numbers of vacancies captured by the PES. Table 4.4 gives per PES for the year 2002 the proportion of captured vacancies that came from staff-leasing enterprises.

Especially the PESs of Flanders and Ireland have comparatively high shares of vacancies from staff-leasing enterprises. In Flanders the VDAB developed and provided the Jobmanager as a tool for such enterprises to administer and manage their vacancies. Through this Jobmanager the PES gets the information about these vacancies and distributes this information via PES-channels. This is the reason that in Flanders the share of vacancies from these enterprises is so high. In Ireland the high share of vacancies from staff-leasing enterprises has to do with the new procedure to obtain a Work Permit that was introduced on January 1<sup>st</sup> 2002. Staff-leasing enterprises are often used for the recruitment for positions for which a Work Permit is or may be needed, and so these enterprises have to notify these vacancies to the PES. For a number of other PESs the (estimated) share of vacancies from staff-leasing enterprises is around 10 percent (Austria, Wallonia, Finland, France, Great Britain and also Spain). Almost half of the PESs are not able to provide a figure or an estimate for the share of the total number of captured vacancies that come from staff-leasing enterprises.

*Table 4.4 Proportion of vacancies from staff-leasing enterprises in the total number of captured vacancies by the PES in 2002 (EU/EEA-countries)*

Country	Share of vacancies from staff-leasing enterprises in 2002	Comments
Austria	10%	Was more or less the same in 2000 (9 percent)
Belgium – Brussels	0,1%	Was 2 percent in 2000
Belgium – Flanders	44%	Caused by the use of staff leasing enterprises of the Jobmanager on the PES-website, which enables these enterprises to administer their vacancies. Was 30 percent in 2000
Belgium – Wallonia	12%	Was 5 percent in 2000
Denmark	0%	
Finland	10%	Estimate
France	14%	
Germany	Not available	Share of TWA's in total employment is around 3 percent
Great Britain	10 – 15 percent	Estimate; no reason to believe it has changed between 2000 and 2002
Iceland	Not available	
Ireland	35%	Caused by Work Permit procedure. Figure for the year 2000 is not known.
Italy	Not available	
Luxembourg	Not available	
Netherlands	Not available	
Norway	0 – 20 percent	Estimate
Portugal	Not available	
Spain	Around 11%	This estimate was given during the visit
Sweden	Not available	
Switzerland	Not available	

*Source: SEOR questionnaire.*

For the accession countries the PESs of Cyprus, Hungary, Latvia and Slovak Republic report that the share of vacancies of staff-leasing enterprises in the registers of the PES is nil. The other countries did not answer this question.

Furthermore, we asked the PESs which proportion of the notified vacancies is for jobs that are directly available and which proportion is for jobs that will be available in the future. Only some PESs did answer this question in the questionnaire (in many registrations the starting date of the job is not included), but those who gave an answer have indicated that (almost) all vacancies are for jobs that are directly available at the moment the vacancy is notified. The exceptions are the PESs of Iceland and Latvia. They indicated that around 80 – 85 percent of the vacancies are for direct available jobs. This is a remarkable result because this would mean that hardly any employer is notifying vacancies to the PES a certain period of time before a new employee is actually needed. This seemed to be rather unlikely and therefore we also discussed this matter during the visits in the second phase of the study. But then also the PESs that could give an answer (VDAB, Ireland, Spain) report that the large majority of the notified vacancies are for jobs that are directly available. INEM in Spain says that less than 3 percent of the vacancies are for jobs that become available a month or longer after the vacancy is notified.

## 4.5 RECRUITMENT REQUESTS THAT TEND TO STAY VERY LONG IN THE PES-REGISTRATION

Seven PESs were able to give us information about the average period of time vacancies stay open in the PES-registration. Table 4.5 shows that for the year 2002 average vacancy durations (the average period of time vacancies stay open in the PES-registration) in the various countries are very similar to each other. Only in Finland the average vacancy duration is relatively low compared to the other PESs that responded to this question.

*Table 4.5 Average vacancy durations in PES-registration for some countries, 2002*

Country	Average vacancy duration in 2002	Comments
Austria	32 days	
Brussels	1,2 month (equal to around 37 days)	Figure for 2001
Flanders	46 days	Median vacancy duration
Wallonia	48 days	
Finland	23 days	All vacancies. Without vacancies with provision pay and vacancies with fixed application period (public sector): 13 days.
France	36 days	
Germany	43 days	
Great Britain	4,1 weeks (around 30 days)	Figure for July 2000
Iceland	1 month (around 30 days)	
Ireland	48 days	

*Source: SEOR questionnaire.*

The average vacancy duration may be an indicator for labour market segments that face recruitment difficulties. Table 4.6 for a number of countries (only a couple of PESs have provided this information) the occupational groups are given with the longest average vacancy durations. The PES of Great Britain provided information for three months in 2000, but only for filled vacancies. In Belgium each year a study is carried out into occupations suffering from recruitment difficulties. Both quantitative and qualitative methods are used in this study to obtain also insight in the causes of the difficulties.

*Table 4.6 Occupational groups with the longest average vacancy durations for a number of countries*

Austria	Flanders	Ireland
Management (Verwaltung) : 171 days	831 Locomotive engine drivers and related workers : 441 days	315 Safety and quality inspectors: 150 days
Advisers and Jurists: 65 days	222 Health professionals (except nursing): 164 days	311 Physical and engineering science technicians: 131 days
Health care: 60 days	211 Physicists, chemists and related professionals: 110 days	312 Computer associate professionals: 110 days
Technicians: 58 days	247 Public service administrative professionals: 93 days	834 Ships' deck crews and related workers: 86 days
Hairdressers: 53 days	421 Cashiers, tellers and related clerks: 89 days	241 Business professionals: 72 days
	231 College, university and higher education teaching professionals: 88 days	516 Protective service workers: 70 days
	323 Nursing and midwifery associate professionals: 84 days	824 Wood- products machine operators: 68 days
	221 Life science professionals: 81 days	
	214 Architects, engineers and related professionals: 76 days	
	242 Legal professionals: 76 days	
Total = 32 days	Total = 46 days	Total = 48 days

Source: SEOR questionnaire.

The PES in Finland reports that occupations in agriculture, hotel and restaurant services and other services tend to stay in PES registration longer than average. In Iceland this applies to specialized jobs and low paid jobs.

The fact that so little information about vacancy durations is standard available, is an extra argument to continue the work with so-called left-over proportions in the European PES Vacancy Monitor. A high left-over proportion could be an indicator for recruitment difficulties. Furthermore, international comparisons and comparisons in time of these left-over proportions per occupational group could be made.

#### **4.6 RELATIONSHIPS BETWEEN MARKET PENETRATION AND NATURE OF CAPTURED VACANCIES**

In table 4.7 the information about the ranking order for market penetration of the PESs from chapter 2 is related to information about the nature of the captured vacancies. Generally speaking the relationships between the level of market penetration and the nature of captured vacancies are not very clear. On the basis of the content of the table three observations can however be made:

1. The four PESs at the bottom of the ranking order for market penetration all have either a high or a medium proportion of durable jobs in the total number of captured vacancies. Two (France and Norway) of the six PESs with a low proportion of durable jobs are in the top of the ranking order for market penetration and the other four PESs (Flanders, Denmark, Finland and Sweden) are in the middle of the ranking.
2. Of the five PESs with the highest market penetration four have a low share of fully subsidised jobs in the total number of captured vacancies. Only the French PES has a

high proportion of subsidised jobs (but as said earlier this mainly contains regular jobs for which a partial wage cost subsidy is paid if a person out of a target group is placed).

The question is how to interpret these relationships. The first observation may mean that the PESs at the bottom of the ranking for market penetration are not sufficiently focused on the market of vacancies for temporary jobs. This observation could however also reflect differences in labour market structure between countries in this respect. But this is rather unlikely because it appeared in chapter 3 that the Netherlands, Portugal and Switzerland have a relatively high share of temporary employees in the total number of employees. The high proportion of temporary jobs in the notified vacancies in France and Spain corresponds with the high share of temporary workers in these countries.

The second observation is difficult to interpret.

Table 4.7 Level of market penetration and nature of captured vacancies (EU/EEA-countries)

Country	Level of market penetration <sup>a)</sup>	Share of durable jobs <sup>b)</sup>	Share of full-time jobs <sup>c)</sup>	Share of subsidized jobs <sup>d)</sup>	Share of vacancies from staff-leasing enterprises <sup>e)</sup>
Austria	Medium	High	Medium	Low (0%)	Medium
Belgium – Brussels		High		High	Low
Belgium – Flanders	Medium	Low	High	Low	High
Belgium – Wallonia		-	Low	High	Medium
Denmark	Medium	Probably low	-	-	Low (0%)
Finland	Medium	Low	Medium	High	Medium (estimate)
France	High	Low	Low	High	Medium
Germany	Medium	Medium	Medium	Medium	-
Great Britain	High	Medium	Low	Low	Medium
Iceland	Low	Medium	Low	Medium	-
Ireland	Medium	Medium	Probably low	Medium	High
Italy	?	-	-	-	-
Luxembourg	High	High	High	Low	-
Netherlands	Low	Medium	Low	-	-
Norway <sup>a)</sup>	High	Low	-	Low	Medium (estimate)
Portugal	Low	High	High	Low (0%)	-
Spain	High	-	-	Low	Medium
Sweden	Medium	Probably low	Low	-	-
Switzerland	Low	High	High	-	-

a) See chapter 2, table 2.2.

b) high - 70% and more; medium - between 50 and 70%; low - below 50%

c) high - 85% and more; medium - between 75 and 85%; low - below 75%

d) high – 15% and more; medium - between 5 and 15%; low - below 5%

e) high - 20% and more; medium - between 10 and 20%; low - below 10%

Source: SEOR questionnaire.

## 4.7 POSSIBILITIES TO MAKE THE EPVM-DATA MORE COMPARABLE BETWEEN COUNTRIES

In chapter 2 and in the previous sections of this chapter it appeared that:

1. Two PESs are unique because they acquire a high proportion of all captured vacancies from advertisements in newspapers (Norway) or from advertisements in newspapers and other databases (Denmark). In Denmark these vacancies are in the so-called ‘open system’ together with the vacancies entered on the PES-website.
2. The German PES does not include vacancies for less than 8 days in the vacancy statistics.
3. The British PES does not include vacancies for up till 8 hours a week in the statistics.

4. Certain PESs have, compared to other PESs, high shares of vacancies for fully subsidised jobs in the total number of captured vacancies.
5. Certain PESs have, compared to other PESs, high shares of vacancies from staff-leasing enterprises in the total number of captured vacancies.

The first and the last point may be an explanation for differences in market penetration between PESs, but at the same time they are an obstacle when comparing vacancy data between countries. The second, third and fourth point are just an obstacle for a good comparison of PES vacancy data and market penetration. The question is if it is possible to collect vacancy data for the EPVM that are more comparable between countries.

Regarding the first point, it is possible to increase the comparability of the data that are provided for the EPVM. The PESs of both Norway and Denmark can identify the source of the vacancies in their databases, so whether the vacancy is notified to PES-staff, entered on the PES-website or captured from newspapers or from other vacancy databases. It increases the comparability of the data if Norway and Denmark would provide both data with and data without vacancies from newspapers and other databases. But simultaneously it should be taken into account that the use these sources for certain purposes (increasing transparency and facilitating job seekers) can be very useful to increase market penetration of the PESs.

Regarding the second and third point there are at least two possibilities to increase comparability of the data. The first and the most practical and easiest possibility is to ask the PES of Germany to include the vacancies for less than 8 days in the data they are providing to the EPVM. The same holds for Great Britain regarding vacancies for jobs for less than 8 hours a week. Both PESs are technically able to do so. However, during a meeting of the Expert Group on vacancies and recruitment difficulties in October 2003 it appeared that Great Britain prefers not to include the vacancies for less than 8 hours in the EPVM-data because these data would then be inconsistent with their own vacancy statistics.

The second possibility is to ask all PESs to exclude vacancies for less than 8 days and less than 8 hours in the data they provide for the EPVM. In the framework of the EPVM it could also be decided to apply other demarcations in this respect. It could be decided for example to include only vacancies for 10 or more working days and vacancies for at least 12 hours per week. But in both cases it will cause problems for a number of PESs, as became clear during the visits. In Flanders for example the number of working hours is not available in the databases of the Research Department of the VDAB. In Ireland the type of contract (permanent or temporary) is in the database. The database also contains the starting date and enddate for the job, but these two fields are not mandatory and are free text fields. So, for a substantial number of vacancies the precise duration of the job will not be known. In the Netherlands permanent and temporary contracts are distinguished, but the duration of the contract is a free text field. The number of hours per week is a categorized variable in the database in Great Britain. Only four categories are distinguished: less than eight hours, 8 – 15 hours, 16 – 29 hours and 30 hours or more. This diminishes the possibilities to choose another demarcation for EPVM-purposes.

The fourth point concerns vacancies for fully subsidised jobs. As is clear from table 4.3 most PESs are able to identify within their database the vacancies for subsidised jobs. In Ireland there is a separate field in the database to indicate whether the vacancy concerns a job or an 'employment scheme'. Also in Flanders, Brussels, France, Germany and Sweden the vacancies for subsidised jobs can be identified. In Great Britain it is only known if a New Deal job seeker is considered or not. However, a small number of PESs may have problems to exclude vacancies for subsidised jobs from the data they produce for the EPVM. There is also another reason to exclude vacancies for subsidised additional jobs (not the regular jobs for which a subsidy is paid if someone from a target group is placed) from the data: it is very likely that the number of vacancies for these jobs develops counter-cyclical. The number of vacancies for such jobs will generally increase if the economy and the labour market develop

less favourable and the numbers will decrease if the business cycle goes up. This will complicate the analyses of the EPVM-data. Furthermore, the share of vacancies for fully subsidised jobs may be influenced by national agreements, for example that it is obligatory to notify vacancies in the framework of employment programmes to the PES.

The differences in the proportion of vacancies from staff-leasing enterprises will probably be the biggest obstacle to make the vacancy data in the EPVM more comparable between countries. Differences between countries in this respect are not a big problem if they reflect the actual share of staff-leasing enterprises on the total labour market or if they are a result of differences in strategies and policies between PESs. But some PESs have relatively high shares of vacancies from staff-leasing enterprises because of specific circumstances: for example in Ireland the introduction of the new Work Permit procedure. So, for reasons of comparability it would be better that PESs produce separate data about the vacancies of staff-leasing enterprises for the EPVM. But looking at table 4.4, we conclude that for a substantial number of PESs it will be difficult to identify these vacancies. In Great Britain for example it cannot be determined whether the vacancy is notified by a staff-leasing enterprise. The same holds for Ireland: the database contains no code for the economic activity of the employer. So vacancies from staff leasing enterprises cannot easily be identified; it is only registered in the free text when the employer tells the FAS (and it is possible to carry out free text searches). In France, Germany and Flanders (VDAB) the vacancies of TWA's can be easily identified by the code for economic activity or by a special code. In Flanders and Brussels (I'ORBEM) these jobs can also be identified by the variable "labour circuit": one of the categories of this variable is "interim jobs".

## **4.8 SUMMARY AND CONCLUSIONS**

### ***Vacancies not accepted by the PES***

In many countries vacancies that offend relevant law (anti-discrimination, minimum wage, labour law, and so on) and vacancies related to the sex industry are not accepted by the PES. Furthermore, for purposes of the EPVM it is important to notice that in Great Britain vacancy for jobs of less than 8 hours per week and in Germany vacancies for jobs for less than 8 days are not included in the *statistics*. But in both cases these vacancies are in the PES-database.

### ***Obligations for employers to notify vacancies to the PES***

In only a few EU/EEA-countries employers are obliged to notify vacancies to the PES, namely in Belgium, Finland, Norway, Luxembourg and Sweden. Often certain employers or sectors of economic activity are exempted from this obligation. In Norway when an employer does not comply with the obligation, the PES is authorised to take the information about the vacancy from a newspaper and to distribute this information through the PES-channels. In most accession countries an obligation does exist: in seven countries it is a general obligation and in two countries (Cyprus and Malta) the obligation only applies to (parts of) the public sector.

### ***Reporting unit in statistics***

For the EPVM it is important to know whether PESs in their own vacancy statistics report in numbers of vacancies or in numbers of jobs/positions. All PESs in EU/EEA that answered this question use the number of positions in their own statistics. Some countries for certain purposes also use the number of vacancies. In the ten accession countries a number of PESs use the number of vacancies as the reporting unit in their statistics.

### ***The nature of captured vacancies***

In several respects there are differences between PESs in the nature of captured vacancies.

Firstly, in Flanders, Denmark, Finland, France, Norway and Sweden the proportion of durable jobs in the total number of captured vacancies seems to be substantially lower than in other countries. In Flanders this has to do with the introduction of the Jobmanager on the VDAB-website. In the Scandinavian countries this is probably caused by the highly flexible labour markets in those countries. In many other countries the proportion of more durable jobs or the proportion for permanent contracts is in the range from 60 to 75 percent of all captured vacancies.

In Great Britain, France, Iceland, the Netherlands and probably also Ireland the proportion of vacancies for full-time jobs is relatively low, lower than 70 percent. In most other countries the proportion of full-time jobs is in the range from 75 to 90 percent. For the PESs of the accession countries that provided these figures, the share of vacancies for full-time jobs is higher than for most EU/EEA-PESs.

Especially in Brussels, Wallonia, Finland and France the captured vacancies by the PES contain a substantial share of vacancies for fully subsidised jobs. However, in France it mainly concerns vacancies for regular jobs for which a partial wage cost subsidy is given when someone from a target group is placed. Of the PESs in the accession countries those of Hungary, Poland and Slovak Republic have high shares of subsidised jobs. In most other countries the share of vacancies for fully subsidised jobs is low (less than 5 percent) or even zero.

The PESs of Flanders and Ireland have high shares of vacancies from staff-leasing enterprises compared to other PESs. In Flanders this is the result of the introduction of the Jobmanager and in Ireland of the introduction of a new Work Permit procedure in 2002. Staff-leasing enterprises are often used for positions for which a Work Permit may be needed, and for obtaining a Work Permit the vacancies should have been notified to the PES. Almost half of the EU/EEA-PESs were not able to give (an estimation of) the share of vacancies from staff-leasing enterprises.

### ***Relationships between the nature of captured vacancies and ranking order for PES market penetration***

An interesting observation is that the four PESs at the bottom of the ranking order for market penetration all have either a high or a medium proportion of durable jobs in the total number of captured vacancies. The PESs with a low share of vacancies for durable jobs are in the top or in the middle of the market penetration ranking order. It could be that the PESs at the bottom of the ranking order for market penetration are not sufficiently focused on the market of vacancies for temporary jobs. The fact that the PESs with the highest market penetration generally have a low share of vacancies for fully subsidised jobs in the total number of captured vacancies is difficult to interpret.

### ***Possibilities to make the EPVM data more comparable between countries***

In the foregoing some important differences between PESs appeared in relation to the nature of captured vacancies. In the framework of the EPVM the question then is if it is possible and desirable to collect vacancy data that are more comparable between countries.

There are some possibilities to increase the comparability of the data provided to EPVM:

1. To ask the PESs of Norway and Denmark to provide both data with and data without vacancies obtained from newspapers and other vacancy databases.
2. To ask the PESs of Germany and Great Britain to include in the EPVM-data the vacancies for respectively less than 8 days and less than 8 hours per week.
7. To exclude vacancies for fully subsidised jobs (additional jobs) from the data (or produce separate data for this type of vacancies). Most, but not all, PESs are able to

identify vacancies for subsidised jobs in their database. The share of vacancies for fully subsidised jobs may be influenced by national regulations that stipulate that ‘vacancies’ in the framework of employment programmes have to be notified to the PES. Another reason to exclude vacancies for subsidised additional jobs from the data is the suspected counter-cyclical character of these vacancies.

Furthermore, it would be better that PESs produce separate data about the vacancies from staff-leasing enterprises for the EPVM. But the answers on our questionnaire indicate that for a substantial number of PESs it will be difficult to identify these vacancies.

In our view, however, it is not always desirable to try to increase comparability of the data, especially not if differences between PESs reflect labour market differences or differences in strategies and procedures between PESs. Some of the differences between PESs in the proportion of vacancies from staff-leasing enterprises may for example reflect differences in the actual share of these enterprises on the labour market. It is also questionable whether greater comparability on the first point in the above list is desirable: Norway and Denmark have consciously chosen for these strategies and procedures and it should be realised that for certain purposes obtaining vacancies from other sources can be very useful to increase the market penetration of PESs. Also the high proportion of vacancies from staff-leasing enterprises of the VDAB in Flanders is the result of its policy (the VDAB has introduced the Jobmanager). On the other hand, in Ireland the high share of vacancies from staff-leasing enterprises is not the result of a strategy or procedure from the FAS to increase the take up of vacancies from these enterprises for purposes of transparency or placement but is caused by the Work Permit procedure.

## **5 THE WAY VACANCIES ARE CAPTURED**

### **5.1 INTRODUCTION**

In this chapter the way vacancies are captured by PESs is discussed. Some main questions in this respect are:

1. Through which channels vacancies are captured by the PESs?
2. How are PESs trying to increase direct notification of vacancies to them: do they undertake pro-active activities, are employers contacted or visited to acquire vacancies?
3. How are PESs trying to increase the capturing of vacancies from other sources, such as newspapers and other vacancy-databases?

Section 5.2 contains information about the channels through which vacancies are captured by the PESs and section 5.3 contains some broad information about the strategies and procedures of PESs to increase the direct notification of vacancies. These two sections are based on the results of the questionnaire we send out in the first phase of the study and so it covers all PESs that responded. Subsequently in section 5.4 for the PESs visited in the second phase of the study we provide a more detailed picture of strategies and procedures to increase direct notification of vacancies. Section 5.5 deals with strategies and procedures used by PESs to increase the capturing of vacancies from other sources. In section 5.6 we try to find out whether there exist relationships between the position of PESs in the ranking order for PES market penetration and some characteristics of the way PESs are obtaining or are trying to obtain vacancies. A summary and the main conclusions of this chapter can be found in section 5.7.

### **5.2 CHANNELS THROUGH WHICH VACANCIES ARE CAPTURED**

What are the channels through which vacancies are captured by the PESs? In the chapter 2 we already saw that only the PESs of Norway and Denmark have a high share of vacancies that are not directly notified to the PES by employers.

Not surprisingly, direct notification of vacancies to PES-staff and PES-websites are the channels that are commonly used by the PESs (see table 5.1). The PESs of Luxembourg and Spain do not have a website on which employers can notify or directly enter their vacancies. Finland started with the possibility to enter vacancies on the PES-website in 2003. As already said, the PES of Austria does not include the vacancies entered on the website in the vacancy statistics.

Norway and Denmark use also the personnel advertisements in newspapers to capture vacancies. The Netherlands started to use this channel at central level (for the whole country) quite recently, but stopped it again because there were problems with the distributors of newspapers. However, in the Netherlands counsellors in the local offices still use personnel advertisements in newspapers as a source of information for acquiring vacancies (see also section 5.4). In Flanders this happens occasionally.

Ten PESs also capture vacancies through the notification of vacancies to the PES by other intermediary organisations on the labour market, such as recruitment and selection companies. Other channels (for example sectoral organisations and the EURES database) are used by a few PESs.

Table 5.1 Channels through which the PESs capture vacancies (EU/EEA-countries)

Country	Direct notification to PES-staff	PES website(s) on which vacancies can be notified/entered	Personnel advertisements in newspapers (national procedure)	Notification of vacancies by other intermediaries on the labour market	Through sectoral organisations	Through jobseekers	Other
Austria	Yes	Yes (but not included in statistics)					
Belgium – Brussels	Yes	Yes		Yes		Yes	
Belgium – Flanders	Yes	Yes	Yes (limited and incidental)				Yes (EURES from the database) and through account managers and vacancy counsellors of VDAB)
Belgium – Wallonia	Yes	Yes		Yes			Yes (EURES, occasionally)
Denmark	Yes	Yes	Yes				
Finland	Yes	Yes (since 2003)		Yes			
France	Yes	Yes					
Germany	Yes	Yes		Yes			
Great Britain	Yes	Yes					
Iceland	Yes	Yes					
Ireland	Yes	Yes		Yes	Yes		
Italy	Yes	Yes		Yes			
Luxembourg	Yes			Yes	Yes (very occasionally)		
Netherlands	Yes	Yes	Yes (started in 2002)	Yes	Yes		
Norway	Yes	Yes	Yes				Yes (EURES)
Portugal	Yes	Yes					Yes (fax, traditional mail, contact centre)
Spain	Yes						
Sweden	Yes	Yes		Yes			
Switzerland	Yes	Yes		Yes			Yes, visiting employers
<b>Total</b>	<b>19</b>	<b>17</b>	<b>4</b>	<b>10</b>	<b>3</b>	<b>1</b>	<b>5</b>

Source: SEOR questionnaire.

Notwithstanding the fact that practically all the PESs indicate that they use various sources to obtain vacancies, most PESs still capture (almost) all vacancies through the direct notification of vacancies to PES-staff through employers. This holds for Austria (98 percent), FOREM in Wallonia (90 percent), Finland (100 percent), France (100 percent), Ireland (86 percent),

Luxembourg (100 percent), Spain (100 percent) and Portugal (98 percent). So, the numbers of vacancies captured by the PES from other sources in these countries is (very) low at the moment.

Exceptions are the VDAB in Flanders and the PESs in Denmark and Norway. The VDAB in 2002 received 55 percent of the captured new vacancies through the PES-website. The other 45 percent is captured through direct notification of the vacancies to PES-staff. The share of vacancies entered on the PES-website was only 10 percent in 2000. Also in Ireland and Norway the share of vacancies entered on the PES-website has increased between 2000 and 2002: in Ireland from 5 percent to 14 percent and in Norway from 3 percent to 11 percent. In the future for more PESs websites will become relatively more important for the capturing of vacancies, for example Finland and Austria.

In 2002 the Norwegian PES, as already indicated, captured 64 percent of the vacancies from personnel advertisements in newspapers. In 2000 this was 45 percent. In Denmark in 2002 two of every three vacancies were captured through the website, through personnel advertisements in newspapers or through other vacancy databases.

The PESs in Brussels, Germany, Great Britain, Italy, the Netherlands, Sweden and Switzerland were not able to provide figures about the shares of the various channels/sources in the capturing of vacancies.

Also for the PESs in accession countries direct notification to PES staff is still the most important channel, and comparatively even more important than for the PESs in EU-countries. Five of these ten PESs, those of Czech Republic, Estonia, Hungary, Malta and Poland, have a website on which employers can notify or enter their vacancies. Six of the PESs of the accession countries capture (almost) all vacancies by direct notification to PES-staff: this applies to the PESs of Cyprus, Estonia, Hungary, Latvia, Lithuania and Slovenia. The PESs of Malta and Slovakia obtain nearly 90 percent of the vacancies through direct notification to the PES-staff. The PESs of Czech Republic and Poland did not answer this question.

If PESs obtain vacancies from different sources (direct notification to PES-staff, via the website, newspapers and so on) it is likely that some vacancies will be included several times in the PES-registration. Another reason for duplication of vacancies is that employers are notifying the same vacancy to several Labour Offices.

However, only three PESs (VDAB in Flanders and the PESs of Austria and Hungary) state that duplication of vacancies in the PES-registration creates a serious problem. The VDAB however doesn't have an idea of the share of double vacancies in the registration. The PES in Hungary estimates that up till 2003 some 10 to 15 percent of the vacancies was double in the registration, because employers notified vacancies to different offices of which the databases were not linked to each other. In Austria the same vacancy could be notified to the PES and also entered on the Ejob room. This will not affect the vacancy statistics because the vacancies entered on the website are not included in those statistics. Most PESs say that double counting of vacancies is not a serious problem. Some of them provided estimates of the share of the double vacancies: these estimates vary from 0 to 3 percent of the total number of vacancies in the registration. This is not very surprising because for most PESs direct notification to PES-staff is still the predominant source for obtaining vacancies. Apart from obtaining vacancies from different sources, an important reason for duplication of vacancies in the PES-registrations is that a vacancy is notified both by a staff-leasing enterprise and by the final employer.

Table 5.1(A) Channels through which the PESs capture vacancies (accession countries)

Country	Direct notification to PES-staff	PES website(s) on which vacancies can be notified/entered	Personnel advertisements in newspapers	Notification of vacancies by other intermediaries on the labour market	Through sectoral organisations	Through jobseekers	Other
Cyprus	Yes						
Czech Republic	Yes	Yes					
Estonia	Yes	Yes					
Hungary	Yes	Yes					
Latvia	Yes						
Lithuania	Yes						
Malta	Yes	Yes					
Poland	Yes	Yes					
Slovak Republic	Yes		Yes				Yes: phone or personal contact
Slovenia	Yes						
<b>Total</b>	<b>10</b>	<b>5</b>	<b>1</b>				<b>1</b>

Source: SEOR questionnaire.

### 5.3 BROAD INFORMATION FOR ALL PESs ABOUT STRATEGIES AND PROCEDURES TO INCREASE DIRECT NOTIFICATION OF VACANCIES

In this section we will first discuss the information that was obtained through the questionnaire about strategies and procedures to increase direct notification of vacancies to the PES. During the visits to the eight selected countries in the second phase of the study more detailed information was collected about these strategies and procedures of the PESs of these countries. This information will be presented in the next section.

All PESs in the EU/EEA have certain strategies to increase the capturing of vacancies. Concerning the direct notification of vacancies by employers to the PES the response on the questionnaire has had the following result:

- In Austria a segmentation of enterprises has been made. The goal is to put a focus on the top customers and to assign resources to groups of enterprises. Marketing campaigns are started to support acquisition activities of PES-officers (including visits of enterprises). Also special products (meetings of enterprises, selection of jobseekers, etcetera) are offered. Finally, the internet e-job-room has been developed and improved.
- In Brussels the account managers contact employers to give them information about the services of the PES. The account manager can directly offer selection and placement services. It can also be proposed to employers to externalise part of their recruitment function and human resource function to the PES.
- The VDAB in Flanders uses a regular approach of employers by local account managers and vacancy counsellors.

- In Wallonia sometimes counsellors contact employers after reading advertisements in newspapers, although this does not happen often.
- In Finland the PES offers a broad package of co-ordinated services in order to make it attractive to employers to notify their vacancies to the PES. On a more concrete level; there is a negotiation group between the labour administration and the social partners. There is also co-operation especially with big employers and also different kind of service agreements have been made. One new, additional activity is that the PES–staff has visited employers to ask for vacancies and places for training and to inform employers about the PES-services and pose questions (questionnaire) concerning expected recruitment in the future.
- In Ireland a number of advertising campaigns have been organised to increase notification of vacancies to the PES. These campaigns include use of the media such as national and local newspapers, radio and teletext. There have also been a number of direct mail marketing campaigns to employers nationwide. On an ongoing basis, in various forums, FAS would market the PES vacancy taking service for example via recruitment fairs, EURES, via employers groups, etcetera..
- In Great Britain from the first of April 2003 on, there is a New Sales force concentrating on specific sectors. From June 2003 on notification of vacancies through the website is possible.
- In Luxembourg certain services for employers are linked to the notification of vacancies to the PES. Information and consciousness-raising campaigns are also used.
- In the Netherlands a National Service Centre has been established for inbound but also outbound calls.
- In Portugal a more pro-active intervention of employers is used to capture more vacancies. This includes for example the systematic programming of visits to employers aimed at capturing vacancies that are suited for the registered job seekers and the promotion of vacancy capturing campaigns. A new model has been tested in some Employment Offices, but presently is not in use because its full and adequate implementation requires the functioning of an Employers' database that is not yet completed.
- In Spain visits to employers are made and promotion activities towards employers are undertaken on a regular basis.

The majority of the PESs in the accession countries (except Slovenia, Poland and Estonia) mention the use of special strategies to increase the number of captured vacancies:

- Czech Republic mentions better services to job seekers (individual action plans) and to employers.
- Hungary stresses their policy of regular personal contacts with employers.
- Latvia has set the target for the year 2003 in the National Employment Plan: “To improve the co-operation between State Employment Service and employers” with the indicator ‘number of vacancies that employer has notified to SES’. The target of SES for 2003 is to get at least 2 vacancies from one employer per month on average.
- Lithuania as well as Cyprus starts with the registration of vacancies through the Internet website. Lithuania introduced the vacancy telephone line for registration of vacancies.
- Malta mentions their policy of free advertising of vacancies.
- The PES in Slovakia pays special attention to the policy towards employers: cooperation with employers, personal contacts, informing on employee mediation possibility, informing on possible promotion of job creation, on other instruments of active labour market policy, informing on possibilities of selective pursuance and job-fairs.

If there is a website on which employers can notify or enter their vacancies, in almost all cases employers first have to give the basic company information before they can submit vacancies on the website. In four cases (Flanders, Denmark, Finland and the Netherlands) the control of the PES over the entered vacancies is quite small. In the other cases the PES checks and cleans the self-entered vacancies before they can be viewed by job-seekers. In all cases job-seekers can access information about individual vacancies on the PES-website freely without registration. In some countries not all captured vacancies by the PES can be accessed on the website. In Finland for example vacancies for which the employer wants a pre-selection of candidates, cannot be accessed on the website. In Brussels this applies to vacancies for employment programs. In Portugal only a small proportion of the job vacancies directly captured by the PES is regularly made available on the website, by replication from the internal system to IEFP NETemprego (internet). This selection of vacancies is made by the Employment Offices.

Websites of the PESs in the accession countries seem to be less developed in the field of vacancy notification. Cyprus reports that their website is under construction. In Hungary, Estonia and Slovenia main functions of the website are not in use yet. In some countries employers cannot enter vacancies on the website, but job seekers can get information about vacancies on the website. In seven accession countries (including Hungary and Slovenia) websites give job seekers a possibility to access information about individual vacancies on the PES website freely without registration. In Czech Republic, Latvia and Malta employers are allowed to enter their vacancies after registration. The PESs of Hungary, Lithuania, Malta and Slovakia claim that all captured vacancies are on their website.

#### **5.4 DETAILED INFORMATION FOR THE EIGHT VISITED COUNTRIES ABOUT STRATEGIES AND PROCEDURES TO INCREASE DIRECT NOTIFICATION OF VACANCIES**

So, in this section we will present the more detailed information for the eight visited countries. It should be realised that it is not our intention and within the constraints of the study impossible to be 100 percent complete. We will subsequently pay attention to:

- The main aims for the take up of vacancies by the PES.
- The main lines of the strategies and procedures to increase the direct notification of vacancies.
- Pro-active visits of employers and responsibility for systematic contact with employers.
- PESs websites on which employers can notify or enter vacancies.
- Call centres for the intake of vacancies.
- The scanning of personnel adds in newspapers.
- Promotion campaigns in the media.

##### **5.4.1 MAIN AIMS FOR THE TAKE UP OF VACANCIES BY THE PES**

The main aim of the VDAB in **Flanders** is to support the matching between demand and supply. The aim is to fill vacancies as good as possible and to employ job seekers (as complete as possible). How this happens in practice, is phase two of the process.

The PES in **Brussels** (ORBEM) is primarily aiming at providing job opportunities to the population of Brussels. Brussels is one of the most prosperous economies in Belgium, but at the same time unemployment in Brussels is high. Around 55 percent of the jobs in Brussels is occupied by people from outside Brussels.

The main focus of Jobcentre Plus in **Great Britain** is always to help disadvantaged people. This was true in the time of the conservative government. Now during the labour government

is explicitly stated that the organisation needs vacancies to help this group. Vacancies that are suited for the client group are the most wanted. So it should (preferably) not concern too complex jobs and no vacancies that demand high skills. The idea is that Jobcentre Plus must be able 'to bridge the gap' between demand and supply.

In **Ireland** the aims of obtaining vacancies are different from those in Great Britain. The main aims are to increase the transparency of the labour market and to provide job possibilities to job seekers. So, Irelands aims for the take up of vacancies are more on the efficiency side.

In the **Netherlands** the capturing of vacancies is primarily focused on providing job possibilities to the clients of the Dutch PES, the Centres for Work and Income (CWI). Unemployed with a benefit have to register at CWI, but also other job-seekers can come to CWI to search for vacancies or can visit the website of CWI that contains most of the notified vacancies. In the present structure CWI is mainly responsible for unemployed who don't have a distance to the labour market. CWI is a facilitator for both jobseekers and employers.

For INEM in **Spain** the formal objectives according to the new National Employment Plan are to promote employment generation by matching demand with supply, to improve the employability of job seekers by counselling and training and to provide employment opportunities to vulnerable and less favoured groups (disabled, youth, elderly and long-term unemployed). So in this case efficiency and equity purposes are combined.

In **Sweden** like in Ireland the focus is currently on making the labour market more transparent. The leading principle is: make the market parties active themselves and don't take work out of their hands, just facilitate the functioning of the market. For this reason the PES is not focussed on market penetration or market share. The most important results are measured monthly (and communicated throughout the whole organisation):

1. Did the employer get applicants upon the publication of his vacancy.
2. Amount of job seekers that indicate to have an action plan.
3. Number of people who found a job within 90 day after finishing a subsidised vocational training.
4. Registration of long-term unemployed.
5. Results of special programs for disabled people.
6. Transfers from subsidised to unsubsidised jobs.
7. Decrease of level of subsidy with wage subsidies.
8. Decrease of amount of part time workers.
9. Decrease of amount of workers with a job for only a few hours.

#### **5.4.2 MAIN LINES OF THE STRATEGIES AND PROCEDURES TO INCREASE DIRECT NOTIFICATION OF VACANCIES**

L'ANPE in **France** has a very structured and offensive approach of employers. The idea is that ANPE must become a professional equip for the communication with Employers. For this aim in 2000 "Le Demarche Marketing" (Marketing Approach) has been introduced that is now rolled out in the whole organisation. For this approach instruments are developed for the local organisations to make a segmentation of their market of employers. A wide set of quantitative figures regarding individual employers are offered, such as number of staff (divided in men, women, full-time and part-time in several categories), development of this number during the last year, number of new employees, number of dismissals, number of vacancies notified to ANPE, number of vacancies not notified to ANPE and so on. These data and the knowledge and experience of the local counsellors are used to divide the employers into roughly five groups:

1. Entreprises Phare (Lighthouse enterprises).
2. Clients en Or (Golden Clients).

3. Trésors Cachés (Hidden Treasure).
4. Bons Amis (Good Friends).
5. Autres entreprises (Other employers).

Next to this Big Accounts are distinguished. At central level the policy is to make agreements with the very big enterprises in the country. These are framework agreements within which at local level the aims can be further filled in. At executive level 'Comites de Pilotage' are formed that monitor the developments within the agreed framework. The central point is to search for and to find opportunities for cooperation that give a positive result for both sides (win – win).

L'ANPE also distinguishes Strategic Professional Branches. Here the same approach is followed as with the Big Accounts, but a difference is that also the importance of the branche for the labour market is taken into account. So extra attention is for example given to the construction sector but not to agriculture.

L'ANPE also tries to make agreements with central organisations of employers. For instance these days ANPE makes an appeal on these organisations to offer a helping hand in the situation that will exist from January 1<sup>st</sup> 2004 when certain groups will no longer be entitled to any benefit.

In **Germany** the Bundesanstalt fur Arbeit (BA) mainly stimulates employers to notify their vacancies by a good communication of what the 'Arbeitsämter' can offer to employers:

- that the labour offices have a good stock of possible employees;
- that the service doesn't cost much (the service is free);
- that the employers can get a pre-selected offer of candidates;
- that there are subsidies available for long term unemployed, people younger than 26 years, people older than 55 years, women and handicapped.

There are several lines along which Jobcentre Plus in **Great Britain** tries to obtain vacancies:

- national marketing campaigns to invite employers to enter their vacancies. There is a spring-campaign aimed at extra employment during the summer and a late summer-campaign aimed at extra need of people around Xmas. In these periods there are many temporary jobs and exactly these jobs can be a good bridge to work for the clients;
- local events organised by the local operational managers of the organisation, like job-fairs or breakfast meetings;
- the set up of a sales force at different levels in the organisation: the national, the regional and the local level.

The two main elements of the **Irish** strategies and procedures to increase notification of vacancies by employers to the FAS are the national call centre and campaigns to stimulate employers to report their vacancies to the FAS by using the call centre.

In the **Netherlands** a vacancy offensive has been started in spring 2003. The objective is to fill the vacancies that still exist in the current unfavourable economic climate as soon as possible, preferably with unemployed job-seekers (the credo is work above income). The activities for this vacancy offensive are filled in locally, but are supported by national campaigns (primarily on the radio).

The main strategy in **Spain** is to provide easily accessible services free of charge. INEM has a dense net of 818 offices. There are special incentives for employers to contract particular vulnerable groups, when employers do so through the PES system. INEM offers various services to the employers:

- general information on all kind of aspects of the labour market;
- pre-selection of candidates (if requested);
- certification of professional skills and psychological tests of job-seekers (if requested). A very attractive service to employers is the certification of professional skills. This is not only a ‘paper’ check, but also a check on skills in practice. This is carried out in co-operation with the associations of professionals (for example the association of bakeries);
- pre-entry employability training;
- post-entry training programmes for their employees (FORCEM) if recruited through the PES system;
- employers can also count on special programmes or European intermediation through EURES.

There is a special programme on the state channel TV2 called “Hay Trabajo” (There is Work). This programme is very popular and covers all topics dealing with employment. INEM provides a lot of information, takes care of some of the programmes, is interviewed, participates in debates with labour unions, employers, and so on. INEM is the ‘face of the state’ on employment matters. So employers are well informed about the functions of INEM, the services it provides.

The most important factor in **Sweden** is that the law obliges employers to notify their vacancies to the Labour Office. There is no real sanction when an employer does not obey this law. The people within the PES also realise themselves that still only 30 – 40 percent of all vacancies are made known to the PES. The other vacancies are filled without any publication. Activities to stimulate employers to notify their vacancies are: promotion of the Internet facilities (especially the ‘sökandebanken’, the database with data of job-seekers) and Internet seminars for employers, information by leaflets and so on.

#### **5.4.3 VISITS OF EMPLOYERS AND RESPONSIBILITY FOR SYSTEMATIC CONTACT WITH EMPLOYERS**

There are in certain respects some differences between the visited PESs in the way they implement pro-active visits of employers to obtain vacancies. Some PESs have a special unit that do the pro-active visits. In Flanders, France and Great Britain a system of account management exists and in Germany each ‘Arbeitsamt’ has its ‘Arbeitsgeber-team’ Some other PESs do not have such a special unit and those PESs often have also no national procedures or guidelines in respect of pro-active visits of employers. This applies to the PES of Ireland, the Netherlands, Spain and Sweden. In most cases employers have a fixed contact person at the PES, sometimes only if the employer prefers to have one. What follows is more detailed information for the eight visited countries.

The VDAB in **Flanders** has a separate employer-line with account managers, vacancy counsellors and supporting staff. This line is responsible for the approach of employers. The account managers carry out pro-active visits of employers. Once a vacancy is notified also the vacancy counsellors have contact with the employer.

Each account manager has a number of employers in his/her caseload. These are mainly the good clients: clients that often or regularly use the service of the VDAB often or employers that have possibilities for growth. The account managers offer a broad and complete range of services; the visits are not only aimed at obtaining vacancies. The starting point is the need of the employer. In theory employers do not have a fixed contact person at the VDAB, but many employers want to have a fixed contact person and in practice there is foreseen in this need.

There are also visits of employers for special actions, for example in cooperation with branches or for a certain target group. The central level of VDAB can develop certain actions, but the responsibility for the initiative for and implementation of visits to employers is with the various regions. So, in practice the implementation may differ significantly between regions.

This became also clear in the interviews. In the Tongeren region (with relatively high unemployment and many small employers) the aim is to visit each company at least once a year. It is hoped that the counsellors then also obtain vacancies. The VDAB in Tongeren works with generalists who do not have a preference for a certain type of industry or a certain type of company. They try to visit those employers for which there is a high chance on a vacancy. The VDAB in the region Halle/Vilvoorde (around Brussels) does not do active acquisition. The reason is that this region gets many, many vacancies. Employers are referred as much as possible to the on-line service on the Internet.

ORBEM in **Brussels** since a couple of years has a special team of six people that are responsible for the pro-active contacts with employers. They visit employers spontaneous or in connection with an article about the company or an advertisement of the company in a newspaper. These officers present ORBEM, they inform employers about the advantages to engage unemployed and they inform the employers about the services ORBEM can offer. The plans are to enlarge the team to 17 persons, a number of them will be provided for by ORBEM's partners. The new team will both work for ORBEM and a part of ORBEM's partners (municipal organisations and NGO's) on the labour market. An acquisition strategy based on analysis of occupations will be developed and the results of the pro-active activities will be followed.

In **France** the number of visits of employers is one of the operational targets of the organisation. The results are measured each month and communicated throughout the whole organisation. According to the marketing approach ANPE has several types of staff who take care of the contacts. These are account managers at central, regional and local level as well as the counsellors. The type of enterprises visited and the frequency of the visits depend fully on the marketing strategy as described in section 5.4.2. The content of the visits can cover several issues next to the acquisition of vacancies. Normally an employer has a fixed contact person.

The 'Arbeitsgeber-teams' that exist in each 'Arbeitsamt' in **Germany** are responsible for a systematic contact with employers. They are making contact by telephone, mail and personal visits and are regularly visiting employers. During the visits these staff members gather not only information about vacancies but also about the actual activities of the enterprise and the foreseen developments in the middle-long term. The visits can cover a broad range of subjects (information about the services of the 'Arbeitsamt', assistance with problems in HRM, advice about HRM-issues). It is not possible to give a good estimation of the average number of visits, but from the interviews it is clear that there is a big difference between the Labour Offices in the big cities and the ones in the 'country'. In Germany, like in France, an employer has a fixed contact person in the 'Arbeitsamt'.

In **Great Britain** the newly created Sales Force is responsible for the contacts with employers. At the national level there are National Account Managers and Sector Relationship Managers. They deal with the top 100 employers, coordinate product specialists, manage a portfolio of accounts, build relationships with significant employers securing vacancies and work with key sector bodies to meet sector recruitment needs. At regional level there are Regional Sales Managers. Each of them manages a Regional Sales Team of 10 to 15 Field Account Managers who work at the local level. The Regional Sales Managers build relationships with local organisations, provide demand forecasts to operations and target the delivery of sales activity at priority employers and sectors. The Field Account Managers at local level focus on 2.000 key employers, they coordinate the product specialists, manage a portfolio of accounts, build relationships with significant local employers to secure vacancies,

have relations with local influential people and local opinion leaders and they provide local sector and labour market expertise.

Different staff members can do the visits of employers, but it will mainly be the account managers of the different levels. Next to that also staff involved with New Deal (subsidies-program) visit the employers with a special focus on their clients (target groups). The visits are planned according to the policy underlying the creation of the Sales Force. The national Account Managers are targeted on the (very) big national accounts, the Sector Relationships Managers on employers in their sector, and so on. It is not possible for the interviewees to give an average of the periods between the visits ('It depends'). The content of the visits can cover several subjects, but the main aim is still recruiting vacancies. An employer has a fixed contact person; this is the Vacancy Service Manager in the local Jobcentre (there is one such an officer per centre).

The FAS in **Ireland** does not have a national structure or guidelines for pro-active visits of employers and acquisition of vacancies. In certain regions (Dublin and the North-East) there is hardly any contact with employers, even not after an employer has notified a vacancy to the FAS. In other regions Employment Service Officer of FAS contact employers that have notified vacancies. Up till now, there are no separate units or no special staff responsible for a systematic contact with employers for a pro-active search for vacancies. Also the National Call Centre does not really carry out pro-active activities. Outbound calls are for the validation of vacancies notified via the Internet and the complete intake of vacancies notified by fax, e-mail or voice mail. With the present size of the staff (16) it is impossible to do more; there is hardly any slack.

In the **Netherlands** there is currently not one national structure for the systematic contact with employers. At local level this function is organised in various ways. At the CWI in Etten-Leur the contacts with the employers are done by 12 CWI-advisors. These advisors also do the intake of unemployed jobseekers and have monthly placement-interviews with the unemployed. A number of them focus on employers engaged in industrial activities; the others focus on employers in the service sector. The target is to have at least 10 visits of employers per advisor per week. The distribution of the visits is based on the available supply of job-seekers, the size of the company, the time of the year (take account of seasonal peaks in recruitment needs in certain sectors) and the location of new companies. At CWI Etten-Leur each employer has a fixed contact person if the employer wishes to have one. During the visits the advisors try to react on the demand of the employer. Besides the visits the advisors also use other methods: mailings of employers about what CWI can offer to them and also acquisition by telephone. A list of companies is printed out and it is agreed that all these employers have to be called within a certain period of time.

CWI Rotterdam has another structure in this respect. There a team of 6 persons is formed for the acquisition of vacancies. This team carries out the pro-active search for all CWI-offices in Rotterdam and some surrounding municipalities. Each staff member is responsible for the acquisition of vacancies for one CWI office. Around 80 percent of the work is individual work. On the basis of chanceful sectors and a list of the employers with 25 or more employees an inventory per CWI-office is made what to do: which employers to contact and which employers not. Each week there are meetings between the team members and staff of the CWI offices to coordinate the work. Searches are performed in newspapers and on the Internet to trace employers with vacancies that are not yet notified to CWI. Targets for the team are in terms of input (number of new contacts) and output (number of obtained vacancies). When a vacancy is obtained the team member makes some first arrangements about the services that will be provided by CWI (open on the Internet or half open with a pre-selection of candidates) and after that the basic information is transferred to an advisor on the CWI-office who has to complete the intake. The other 20 percent of the work is teamwork according to a geographical approach. This means that the whole team is visiting an office park, an industrial zone or a shopping centre to bring the services of CWI under the attention of employers that are located there. Furthermore, the vacancy-acquisition team is networking by visiting

meetings of entrepreneurs, cooperates with private reintegration companies and is doing business with branche-organisations. The team can be seen as the outdoor service on behalf of the CWI-offices. Up till now the team has obtained on average around 75 additional vacancies per week.

In **Spain** pro-active vacancy search is done, but ad hoc and hardly systematically, due to shortage of personnel. Employers are visited by Employment Officers<sup>13</sup> of the decentralised Employment Offices of the 'Comunidades' (provinces). All Employment Officers fulfil tasks both viz a viz employers and job-seekers. There are no specialists for certain tasks concerning the intake and processing of vacancies. The frequency of the visits and the priority sectors are determined by the 'Comunidad'. Many 'Comunidades' focus on the same sectors, such as hotels and tourism and construction works. The content of the visits can be information on employment services, information about incentive-schemes for contracting special groups ('collectivos'), follow-up on supply of candidates not accepted by the employer; scrutinizing match of information with requirements for the post. INEM does not provide general advice on HRM to larger enterprises (there are commercial firms specialised in that). It does provide advice to smaller firms. In most 'Comunidades' special information events are organised for groups of enterprises. Whether there is a fixed contact person or not depends on the staffing levels of the Employment Offices. Usually there is not a fixed contact person, since the staffing is rather thin.

The PES in **Sweden** has no national policy on this point. There are no functions especially orientated on employers. Locally it happens that some counsellors act as account managers. Although there is no national policy, at local level (at least in Lunda Nova) the Jobcentre has made a classification scheme in which one can see the importance of a company for the Jobcentre. Based on this scheme there is made a plan for the visits of the companies and this plan is carried out. The content of the visits is: help the employer to use the Internet, survey of the future plans of the company and survey of possibilities for target groups in the company. In principle there is a fixed contact person for every company but it is not rigid.

There are, contrary to countries as German and Great Britain, no separate units for the contacts with employers. The Swedish officials say that they have left this policy (of account management) behind them because it appeared to be not efficient. The new policy is to offer the employers good instruments and especially to make the employers more active themselves.

#### 5.4.4 WEBSITE ON WHICH EMPLOYERS CAN ENTER THEIR VACANCIES

Some of the visited PESs (Flanders, France, Ireland, the Netherlands and Sweden) have a website on which employers can directly enter their vacancies in a vacancy registration form. In most cases the vacancies have to be validated by PES-staff first before they are published by the PES. Other PESs (ORBEM in Brussels, Germany, Great Britain) have a website where employer can just report that they want to notify a vacancy to the PES by entering some basic information (about the company and the vacancy). In that case a counsellor of the PES subsequently contacts the employer to carry out the complete intake of the vacancy. Finally, it is remarkable that most PESs do not know how the numbers of vacancies notified by using the website or entered directly on the website have developed during the last few years. We now present the detailed information for the visited PESs.

The VDAB-website in **Flanders** is regarded as a big success. Employers not only can enter their vacancies through the Jobmanager ('My VDAB'), but they can also administer their vacancies (change the information, close the vacancy, etcetera). This service is intensively

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<sup>13</sup> In Spain there is a difference between a Labour Officer and an Employment Officer. The Labour officer deals with labour conditions (ranging from contracts to working environment and safety procedures).

used by staff-leasing enterprises. The number of notified vacancies on the website increased from around 15.000 in the year 2000 to nearly 86.000 in 2002 (these numbers are vacancies not positions). Between 60 and 70 percent of the vacancies entered at the website are from the interim offices.

ORBEM in **Brussels** also has a website on which employers can report that they want to notify a vacancy to ORBEM. The employer can enter his/her name, the contact person for the vacancy and the occupation of the vacancy. Staff from ORBEM subsequently contacts the employer to complete the intake of the vacancy. On the website employers can also search in CV's of jobseekers. At the moment around 20.000 CV's are on the Internet (around a quarter of all registered jobseekers at ORBEM).

ANPE in **France** has, like the VDAB, a website on which employers can directly enter their vacancies. The development of the numbers of vacancies entered on this website is not known.

The **German PES** also has a website where employers can give notice that they want to notify a vacancy. This causes a message for the counsellor and the counsellor can take care of the placing of this vacancy in the database. So the counsellor is, comparable to the procedure of ORBEM in Brussels, still in between. In May 2004 the Bundesanstalt für Arbeit will introduce the 'Virtuelle Arbeitsmarkt'. In that system it will be possible for employers to enter directly their vacancies in the database. The development of the numbers of vacancies notified via the website is not known.

The website of Jobcentre Plus in **Great Britain** gives a form that employers can fill in and mail to Employer Direct (Call centre) that takes contact with employer to complete the intake, during which for example arrangements are made with the employer about the submission of candidates and the way of publishing the vacancy. In the near future it will be possible for (selected) employers to enter their vacancies directly in the database. Also in Great Britain the number of vacancies obtained via the website since the year 2000 is not known.

In **Ireland** employers can enter their vacancies on the FAS-website. In the year 2003 of all vacancies notified 30 – 40 percent is entered on the website. Vacancies notified via the website have to be validated by the National Call Centre (NCC) before they become available for clients. The NCC checks whether it concerns a genuine employer and if the job adheres to relevant legislation. The website contains a web-chat facility: when an employer is entering a vacancy on the website (s)he can use this facility to pose questions to the NCC on-line to obtain the information needed to proceed. This facility also contains a call-back function.

CWI in the **Netherlands** has a website on which employers can directly enter their vacancies since 2002. The website is often used, both by employers and jobseekers. It is an open system and employers can also search for job-seekers that meet their requirements. The CV's of the majority of registered unemployed is on the Internet; not many people refuse to put their CV (open with name and address or half open without name and address) on Internet. At the moment the website has certain drawbacks. Firstly, the local offices do not get a message if an employer from their area has entered a vacancy on the website. Secondly, the vacancies entered on the website are, according to local advisors, not validated/checked. Therefore CWI Etten-Leur for example does not promote the use of the website.

INEM in **Spain** is the only PES in the eight visited countries that has no website where employers can enter their vacancies or can report that they want to notify vacancies<sup>14</sup>.

**Sweden** has a website on which employers can directly enter their vacancies. Before an employer can notify a vacancy (s)he must be registered with a labour office. With that

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<sup>14</sup> There is a website for the registration of labour contracts ('Contrat@').

occasion is also checked if the employer is registered with the tax authorities. After registration an employer can use the website for entering vacancies. After entering the vacancy is transferred to a national centre (in Söderhamn) where it is checked on completeness and possible illegal features (discrimination on ethnic and cultural background, religion, disability, gender, political background and so on). After that the local Labour Office is informed about the vacancy. On this point the counsellor (known as contact person in the employers file) takes contact with the employer to make arrangements about the processing of the vacancy. The development of the use of the website since 2000 is not exactly known.

#### 5.4.5 CALL CENTRES FOR THE INTAKE OF VACANCIES

In Great Britain and Ireland employers can notify their vacancies to a call centre. In Great Britain there are 11 regional centres and in Ireland there is one National Vacancy Taking Centre. These call centres do the complete intake of the vacancies. In both countries employers can only notify vacancies to the call centre(s) or on the PES-website. In Flanders and the Netherlands there also is a national call centre, but the scope of these call centres is much smaller than in Great Britain and Ireland. In Germany there were some negative experiences with experiments with call centres. In the following we present the information for the visited PESs in detail.

In **Flanders** there is a national call centre at the central level of the VDAB in Brussels. Vacancies can be notified to this call centre. The vacancies are transferred to the person who is fulfilling the so-called 'dispatcher-function' at the relevant local office. The distribution to the local offices is done according to the location of the employer. The call centre not only answers inbound calls but is also performing outbound calls, however not in the field of vacancies.

The **German PES**, contrary to those of VDAB, Ireland and Great Britain, does not have call centres. There have been a few experiments with call centres. The experiences of these experiments were not positive. According to the interviewees the main obstacles were:

- The problem of the professionalism of the staff that perform the telephone talks.
- The intake by the call centre is only a superficial one because there has to be called again by the contact person of the 'Arbeitsamt'. So the employer was called twice. This is annoying for the employer and costs a lot of time.

We will see that the experiences in Great Britain and Ireland are more positive.

In **Great Britain** there are 11 regional call centres operating under the project name "Employer Direct". The call centres can be reached via one national telephone number. This number normally connects to the nearest call centre and when this centre is not immediately available to another call centre. The centres are in operation daily from 8.00 till 20.00 hours. Total staff of these call centres is around 1.000 persons. The staff is especially trained for their tasks and also the used computer programs are very supportive for the quality of the intake interviews. The call centres are for the take up of vacancies and also for the collection of information about job-entries on these vacancies.

Furthermore, there is now running an experiment in Grimsby. The regional call centre in this place has the basic call centre tasks (see above) but next to that it is performing some additional activities:

- Employers that have been clients of Jobcentre Plus in the past are called to provide information of the service of the Jobcentre (primarily to obtain new vacancies).
- To start very soon: cold calling / acquisition.
- Also about to start is "Tele-coverage": on the basis of a service level agreement with a big company the different branches of that firm are called to ask for vacancies (and other possibilities for service) in the framework of the agreement.

In Great Britain the approach with the call centres is seen as a good practice, because the employer gets a very quick professional service.

The FAS in **Ireland** has one National Call Centre (NCC), the National Vacancy Taking Centre. Employers can only notify vacancies to the FAS via the NCC or via the website. The NCC has a staff of 16 persons. They get 350 calls a day on average (not only vacancy notifications). The NCC can be reached from nine to five only. The NCC also validates the vacancies entered on the website. Around 90 percent of the employers that enter a vacancy on the website are called back to complete the information and, if necessary, to give them advice. Improvement of the information about a vacancy is necessary to keep both sides of the market happy.

The NCC has an internal handbook with procedures. The Staff can answer almost all questions. The staff members were intensively trained before the Centre was opened in the year 2000. They were for example qualified for customer service. Furthermore, there is ongoing training and communication. The training is done by messages and in groups (internal workshops).

The call centre of CWI in the **Netherlands** only has the first contact with employers. This is fairly similar to the situation in Germany. A list with the employers that want to notify a vacancy is mailed to the local CWIs. Advisors of the CWIs have to call the employers to take up the vacancy.

INEM in **Spain** has no national call-centre. Two 'Comunidades' are experimenting with regional call-centres. It is in the planned activities of INEM new style to start with call centres at the level of 'Comunidades'. There will be no national call centre.

**Sweden's** PES and ORBEM in **Brussels** do not have a call center.

#### 5.4.6 SCANNING OF PERSONNEL ADVERTISEMENTS IN NEWSPAPERS

As we saw in section 5.2 and also earlier in chapter 2, the PESs of both Norway and Denmark have national procedures to capture vacancies from personnel advertisements in newspapers. In Denmark this is in fact carried out at the local level. All the visited PESs don't have such standard procedures to obtain vacancies from this source, but in most countries the staff at local offices scan newspapers for vacancies that are not already notified to the PES.

In **Germany** the members of the 'Arbeitsgeber-teams' scan personnel advertisements in newspapers for vacancies (that are not already notified to the PES). When vacancies are found the team contacts the employer.

In **France** the scanning of personnel advertisements is not done on a structural basis.

In **Great Britain** scanning of personnel advertisements is not in the standard procedure, but this possibility may be used by account managers at any level to give content to their policy to get in contact with local employers. During the visit to the Jobcentre in Barnsley it appeared that the local organisation checks the weekly magazines on vacancies. If vacancies are found that are suited for the registered unemployed, contact is made with the employer.

Also in **Ireland** scanning of adds is not done in a structural way, but maybe on some offices it is done by the staff.

Both CWI Etten-Leur and CWI Rotterdam in the **Netherlands** are scanning personnel advertisements in newspapers. When a vacancy found in this way is not already notified to the CWI and it seems a vacancy that is suited for the supply of jobseekers, a CWI advisor contacts the concerned employer to offer the CWI services.

Scanning of advertisements is not done in **Spain** and **Sweden**.

#### **5.4.7 PROMOTION CAMPAIGNS IN THE MEDIA**

Next to the marketing approach of l'ANPE, in **France** there are on a modest scale national campaigns that invites employers to use the services of ANPE.

In **Germany** for the communication of what the Labour Offices can offer to employers a marketing company is contracted that organises periodical presentations in various media. Next to that the regional organisations ('Landesarbeitsämter') can have there own activities in this field. In that case the 'Landesarbeitsämter' pay for it themselves.

There are also national promotion campaigns in **Great Britain** and **Ireland** (see also above).

In the **Netherlands** there is a promotion campaign to stimulate employers to report their vacancies to the vacancy-line of the call centre. On a Saturday in September 2003 there has been a nation wide day of vacancies. All CWIs were open on that day, and a special campaign was held to obtain as many as possible vacancies for that day. CWI Rotterdam is doing mailings of employers in cooperation with the communication department.

There are regular national media campaigns in **Spain**, but mainly to announce new incentive programmes (for example on changes in the legislation that may provide incentives to offer formal stable employment instead of temporary employment). A lot of attention has been paid to provide incentives for the recruitment of person older than 40 years, the so-called PM40 programme.

Occasionally there are campaigns in **Sweden**.

### **5.5 STRATEGIES AND PROCEDURES TO INCREASE THE CAPTURING OF VACANCIES FROM OTHER SOURCES**

#### **5.5.1 BROAD INFORMATION FOR ALL PESs**

According to the response on the questionnaire half of the PESs in the EU/EEA don't have a special strategy to increase the capturing of vacancies from other sources. This also holds for all PESs in the accession countries. Of the visited PESs L'ANPE in **France** has no strategy to enlarge the capturing of vacancies from other sources. The argument is that it is important that there should be a balance with ANPE's offer to employers, and this balance would not be possible if large numbers of vacancies were captured from other sources. Also in **Ireland** and **Spain** there are no standard procedures to obtain vacancies from other sources. About 60 percent of the PESs in the EU/EEA have arrangements with staff-leasing companies and other intermediaries on the labour market. These arrangements however not always concern the take up of information about vacancies of those organisations in the PES-registration.

#### **5.5.2 OBTAINING VACANCIES FROM NEWSPAPERS**

In Norway and Denmark vacancies are obtained from personnel advertisements in newspapers in the framework of a national procedure. In Norway this is carried out at national level, while in Denmark the activity is done by staff at the local level. In Norway the law states that if an employer does not notify a vacancy to the PES, the PES may take the information about the vacancy from the newspapers and distribute it by its channels.

Of the visited countries in the **Netherlands** the procedure to distribute information about vacancies from newspapers via PES-channels was stopped after being in operation for a short period of time, because the publishers complained about this procedure. In the Netherlands and some other visited countries the staff of labour offices are using newspaper advertisements as one of the tools to increase the direct notification of vacancies to the PES (see subsection 5.4.6). Those vacancies are not automatically taken over by the PES, but the staff contacts employers with a personnel advertisement in a newspaper to offer them the services of the PES.

### 5.5.3 THE TAKE UP OF VACANCIES FROM STAFF LEASING ENTERPRISES

As already indicated about 60 percent of the PESs in the EU/EEA have arrangements with staff-leasing companies and other intermediaries on the labour market. First we present, based on the response on the questionnaire, some practices from countries that were not visited. After that we focus on the countries that were visited.

In Austria private firms have to fulfil the guidelines of the PES when registering vacancies. A key rule is that the private intermediaries have to give PES-officers the name and address of the company for which the persons will actually work (user-company). This should avoid registering the same vacancy for an intermediary and for the user-company. If both want placement by the PES, it has to become clear who has to be served by the PES. Primarily the wishes of the company where the person will actually work will be fulfilled by the PES.

An arrangement has been made in Wallonia in which it is settled that the vacancies of private intermediaries are spread by the channels used by the PES.

In Finland the PES and staff-leasing companies and intermediary organisations have an agreement about taking up information about vacancies. All these companies can use the PES database as well as any other employer. There are also local arrangements with staff-leasing companies and their clients can participate in labour market training, they are invited to participate in exhibitions and job fairs and other events (organised by the local employment offices). In the future there will be more exchange of information between the PES and the biggest companies.

In Portugal the Local Employment Offices can, by law and internal regulations, accept job vacancies notified by Temporary Work Agencies, once TWA's adhere to certain conditions. Besides this, there are no agreements with staff-leasing companies, neither with other intermediary organisations.

The Swiss PES has some conventions with private placement agencies.

As far as the accession countries are concerned Czech Republic mentions the start of PES co-operation with private recruitment agencies.

For the visited countries we obtained somewhat more detailed information.

The VDAB in **Flanders** has an arrangement with the federation of TWA's, recruitment and selection companies and outplacement companies about the distribution and publication of vacancies from these offices via the PES-channels. The private companies pay for this service. This has been settled on initiative of the staff leasing enterprises. The Jobmanager ('My VDAB') is the tool used in this respect.

In **Brussels** there is a project in which the PES and private intermediaries exchange information about candidates and vacancies. The plan is that private intermediaries, as partners from ORBEM, in the future will contribute to public employment policy in Brussels. If they decide to do so, they will get access to the databases of ORBEM and may even enter their vacancies directly in the vacancy database of ORBEM. These are still plans.

For the Arbeitsamt in **Germany** a staff-leasing enterprise is a normal employer. The criterion is if there is a labour contract. If so, all the vacancies of these enterprises can be taken up by the PES. The 'Bundesarbeitsamt' has an agreement with the organisation of staff-leasing companies in which some basic rules are formulated. One of the important rules is that it is forbidden for staff-leasing companies to create a pool of candidates on the basis of the material they receive from the Arbeitsamt. The agreement appears to work well. Next to that there are still some problems with staff-leasing companies outside the "Verband".

In **Great Britain** private staff leasing agencies have the possibility to notify their vacancies to Jobcentre Plus. The condition is that the final employer has to be known to the JobCentre but the details about this are not published. Next to the actual database of the organisation there is also another database on the server of the JobCentrePlus, the 'Third Party Job Bank' in which

a few selected agencies can publish their vacancies. When a job-seeker is looking for vacancies on the website then (s)he can also consult this database. A bulk upload of vacancies from recruitment advertisers to the Third Party Job Bank is scheduled for early next year.

CWI in the **Netherlands** has a framework agreement with some TWA's. Under this agreement, these TWA's can put their vacancies on the website of CWI. Not all vacancies of TWA's are taken over, only those for which the TWA wishes so. Besides, the vacancies must be for jobs for at least 3 months and for at least 12 hours a week. Furthermore, in the Netherlands some private companies may use download facilities (to download information of jobseekers). CWI Etten-Leur notices that mainly TWA's inform about CV's of jobseekers that are on the CWI website.

In **Spain** the private placement agencies must communicate vacancies to the PES that they received from employers and that were not accepted by the job-seekers. So, this has nothing to do with the take up of vacancies of the private agencies.

AMS in **Sweden**, mainly because of the legal obligation for employers to notify vacancies to AMS, has no strategy or activity aimed at increasing the number of captured vacancies by taking up vacancies from other sources. The AMS database is open for all parties including staff-leasing companies (also in Sweden the staff-leasing company must inform AMS about the employer for which they try to find employees). Next to that the website includes links to other sources of vacancies, but there is a relatively high chance that the vacancies found in other sources are already known in the AMS database.

Next to this AMS has the ambition of finding ways of integrating and combining the services of AMS and other actors, for example other authorities, private agencies and other countries, into the concept of the 24-hour agency. Efficient information exchange between different organisations and/or applications was very difficult and costly. The reason was incompatible data formats, making information exchange dependent on manual registration of the same data several times. Today, automatic data exchange is possible by using the "XML-technique". AMS took the initiative to develop standard vocabularies for job postings and CV's in co-operation with private companies, staffing companies and private job-brokers. The Swedish standards are based on the 'Staffing Exchange Protocol', developed by the HR-XML Consortium in the United States, though adjusted to the Swedish context. AMS also develops a national standard vocabulary for the classification of occupations and skills and qualifications. This work is based on ISCO and the Job Profiles System currently used by AMS, and also used in EURES CV-Search. Creating. An HR Industry Standard will make it possible for all parties on the recruitment market to exchange information in a very cost-efficient way, providing the means for one organisation to exchange information with many other organisations without having to establish, engineer and implement many separate interchange mechanisms. This and also the standardisation will further increase the transparency of the labour market. The idea is that the next step will be to create a National Internet Portal where all job-postings and CV's will be easy accessible, regardless of who "owns" the information.

#### **5.5.4 VACANCIES FROM OTHER DATABASES THAN THOSE OF THE PES**

Some visited PESs have procedures to obtain vacancies from other vacancy databases.

In **Flanders** there is an on-line system (more simple than that of VDAB) called Easy-job which is introduced by a publisher of local weekly newspapers. The vacancies in this system are taken over by the VDAB, but only to distribute them through the VDAB-channels.

In **Germany** there is at the moment no standard procedure to take over information about vacancies from other sources. An experiment is going on in Munich in which a searching machine on the Internet scans the websites of employers and employer organisations on vacancies. On the website of the Arbeitsamt there are links to a vast number of addresses of vacancy websites.

In **Great Britain** a bulk upload of recruitment advertisers vacancies in the so-called Third Party Jobbank is scheduled for early 2004 (the question is whether these vacancies will also be included in the vacancy statistics of Jobcentre Plus).

In the other visited countries no procedures exist to obtain vacancies from other vacancy databases.

## **5.6 RELATIONSHIPS BETWEEN MARKET PENETRATION AND THE WAY PESs CAPTURE VACANCIES**

Table 5.2 combines the information about the ranking order for PES market penetration (see chapter 2) with information about some main characteristics of the way PESs try to increase the direct notification of vacancies and the capturing of vacancies from other sources. The latter information is based on the content of the previous sections of this chapter. The table only includes the countries that were visited in the second phase of the study.

It is striking that three of the four visited PESs that have no national structure or procedure for a systematic (pro-active) contact with employers are in the middle (Ireland and Sweden) or at the bottom (the Netherlands) of the ranking order for PES market penetration. The exception is the PES of Spain that has a relatively high market penetration. Moreover, in Ireland and the Netherlands there is no national policy for giving employers a fixed contact person at the PES, although in both countries local offices may have organised this themselves. On the other hand, again INEM in Spain confuses the observed pattern. Nevertheless it seems that a national structure or procedure for pro-active contacts with employers and also employers having a fixed contact person at the PES is positively related to the level of market penetration. This is confirmed by experiences in Rotterdam in the Netherlands where the introduction of the vacancy acquisition team has increased the number of notified vacancies.

There exists no clear correlation between the level of market penetration and whether or not the PES has one or more Call Centres. Two of the three PESs with a relatively high market penetration don't have a call centre (Spain and France), while the third (Great Britain) has a network of 11 regional Call Centres. It seems that especially the national structure for account management is a strong feature of the PESs of France and Great Britain.

INEM in Spain seems to be an exception in several aspects: it has a high level of market penetration but on the other hand no systematic procedures for pro-active visits of employers, it has no special teams for this activity, employers usually don't have a fixed contact person and employers cannot notify vacancies on the website of INEM. This means that INEM's position at the top of the ranking order for PES market penetration have to be caused by other factors.

*Table 5.2 Ranking order for PES market penetration and some main characteristics of the way PESs try to increase the direct notification of vacancies and the capturing of vacancies from other sources (visited EU-countries)*

PES of	PES Market penetration	Pro-active visits to employers:	Employer has fixed contact person at PES?	Call Centre and (if any) its role	Website: can employers directly enter vacancies or just give a signal that they want to notify a vacancy?	Policies or procedures to obtain vacancies from other sources?
Belgium-Brussels	Medium	Special team of 6 persons	Yes	No Call Centre	Signal, followed by a contact of employer by PES-officer	No: exchange of information between PES and private intermediaries
Belgium-Flanders		Account managers of the employer-line	In principle not, only if an employer wants it.	National Call Centre, vacancies can be notified to Call Centre but also to the VDAB-offices	Directly enter.	Yes: arrangement with recruitment agencies about publication/distribution of their vacancies through PES channels
France	High	Account managers at three levels, also counsellors	Yes	No Call Centre	Directly enter.	No
Germany	Medium	'Arbeitsgeber-teams'	Yes	No Call Centre	Signal, counsellor still in between.	No, only an agreement with organisation of staff-leasing enterprises with some basic rules
Great Britain	High	Mainly the account managers of the New Sales Force at the three levels	Yes, Vacancy Survey Manager at each office.	11 regional Call Centres (staff: 1.000), the only places where the intake of vacancies takes place.	Signal by using a form, this is send to the Call Centre that completes the intake.	"Third Party Job Bank" on the website of PES on which selected SLE can publish their vacancies
Ireland	Medium	No (national) structure for pro-active visits. No special units or staff responsible for that.	No	National Call Centre (staff: 16), only place where the intake of vacancies is done.	Directly enter. Call Centre validates the vacancy.	No
Netherlands	Low	No national structure for pro-active visits. Depends on the local office.	Yes (CWI Etten Leur), but in other places it can be different.	National Call Centre: only first contact with employer that wants to notify vacancy.	Directly enter (since 2002), no validation by PES	Framework agreement with some TWA's according to which TWA's can put their vacancies on the PES-website
Spain	High	No systematic procedure for it. Employment Offices at the local level.	Usually not.	No national Call Centre. Experiments by regions.	No website where employers can give a signal or enter vacancies	No
Sweden	Medium	No national policy oriented on employers. Some counsellors act as account managers.	In principle: Yes	No Call Centre	Directly enter, followed by validation by the PES and a contact of employer by PES counsellor	No: more oriented on the efficient exchange of information about vacancies and CV's between the various organisations

## 5.7 SUMMARY AND CONCLUSIONS

### *Channels through which vacancies are captured*

As already indicated in chapter 2 the majority of PESs still obtain most vacancies by direct notification of vacancies by employers, mainly by notification of vacancies to the PES staff and in some cases also by entering vacancies on the PES-website. Especially in Flanders the share of vacancies entered on the website is high comparative to other countries. Two PESs (those of Luxembourg and Spain) do not have a website on which employers can enter their vacancies or report that they want to notify a vacancy. Norway and Denmark have a national procedure to obtain (information about) vacancies from advertisements in newspapers. For the PESs in the ten accession countries direct notification to PES-staff is even relatively more important than for the EU/EEA-PESs.

### *Main aims for the take up of vacancies*

The main aims for the take up of vacancies differ between the PESs visited during the second phase of the study. Some PESs, such as JobcentrePlus in Great Britain, stress the importance to help disadvantaged groups. Also the aim of ORBEM in Brussels is based on equity arguments. The aim of ORBEM is to provide job possibilities to the local population, based on the view that a large number of people in Brussels have a weak position on the labour market. Other PESs are more focused on efficiency purposes (Ireland, the Netherlands and Sweden). In Spain efficiency and equity purposes (this is somewhat different from the answers given in the questionnaire) are combined.

### *Main lines of strategies and procedures to increase direct notification of vacancies*

In most countries marketing or promotion campaigns are used to stimulate employers to notify their vacancies to the PES.

Of the countries visited France seems to have a very systematic strategy and approach for the pro-active search of vacancies. In 2000 the Marketing Approach was introduced. Instruments are developed for the local offices to make a segmentation of their market of employers. Employers are roughly divided into five groups. Furthermore, Big Accounts and Strategic Professional Branches are distinguished with which framework agreements are made at national level that can be filled in locally. Another interesting initiative is the set up of the New Sales Force in Great Britain with account managers at three (national, regional and local) levels.

Of the countries that were not visited, Austria and Portugal seem to have (planned) interesting strategies and procedures. In Austria a segmentation of the market (of employers) is made and resources assigned to groups of employers. In Portugal there are plans for a systematic programming of visits to employers. One is now waiting for the supporting IT-tool.

### *Visits of employers and responsibility of systematic contact with employers*

Five of the nine visited PESs have a separate team/unit or have special officers that are responsible for the pro-active search for vacancies and for the systematic (pro-active) contact with employers. In Flanders these are the account managers of the employer-line of the VDAB. In Brussels ORBEM has a special team of 6 persons who are responsible for the pro-active contacts with employers. In Germany it is the 'Arbeitsgeber team' that exists in each office and in France there are account managers at central, regional and local level that visit employers according to the marketing approach. In Great Britain some months ago the New Sales Force, with account managers at three levels and Sector Relationship Managers at central level, has been set up.

The FAS in Ireland does at the moment not have a national structure or procedure for pro-active search for vacancies. In some regions there may however be activities in this respect. AMS in Sweden also does not have a national policy at this point. There are no functions especially oriented to employers. But regions can undertake their own activities as became clear during the visit. Also in the Netherlands there is no national structure; the so-called vacancy offensive is implemented and filled in locally. The choices made can differ between offices. In Spain pro-active visits are carried out, but ad hoc and hardly systematically due to a shortage of staff. Furthermore, INEM does not have separate staff for the visits. All Employment Officers fulfill tasks for both sides of the market, job-seekers and employers.

The content of the (pro-active) visits of employers can cover several issues. Mostly the visits are not only aimed at obtaining vacancies. The needs and questions of the employer often are the starting point for the discussion. In most countries the employer does have a fixed contact person at the PES, sometimes only if the employer wants to have one.

In many countries we observe regional variations in the implementation. This was already described above for the Netherlands, Ireland and Sweden. In these countries a national structure for pro-active visits of employers doesn't exist. But also in countries where such a structure formally exists, practices can differ between regions. Flanders and also Germany are examples in this respect. In Flanders for example local choices are made on the basis of the specific labour market situation and the workload in relation to the locally available staff.

#### ***Website on which employers can enter their vacancies***

Most PESs have a website on which employers can directly enter their vacancies or can give a signal that they want to notify a vacancy to the PES (in a sense the website then is a substitute for a letter, an e-mail or a fax). The latter means that only some basic information about the company and the vacancy is filled in on the website by the employer. This causes a signal that goes to the office or officer that has to carry out the complete vacancy intake. Such a procedure is followed in Brussels (complete intake is done by staff of ORBEM), in Germany and Great Britain (Call Centres complete the intake). In Germany in May 2004 the 'Virtuelle Arbeitsmarkt' will be introduced and then employers can directly enter vacancies on the website. In Great Britain this possibility will be given to selected employers in the near future.

In Flanders, France, Ireland, the Netherlands and Sweden employers can directly enter their vacancies on the PES-website. In France, Ireland and Sweden the vacancies entered on the website have to be validated before they are distributed through the PES-channels (before the validation the vacancy is not 'active'). In Ireland this is done by the NCC and in Sweden by a special unit located in Söderhamn. In the Netherlands the vacancies entered on the web are not validated. In most countries there are also CV's on the website, but the relative numbers differ strongly between countries.

The website of VDAB in Flanders is seen as a big success because employers themselves can administer/manage their vacancies at this website. Especially staff-leasing enterprises use this website to enter and administer their vacancies.

It is clear that the role of the website in the work processes of the PESs should depend on the purposes of obtaining vacancies. If increasing transparency and providing as many as possible possibilities to job-seekers via an open system are the main purposes for the PES to obtain vacancies, then there should be the possibility for employers to enter the vacancy directly on the website. Then there should follow a validation of the vacancy by PES-staff before the vacancy is made public. But if the main aim of obtaining vacancies is to help disadvantaged groups another procedure should probably be followed. The counselor then should be more in between to increase the chance that people from target groups are placed on the vacancies. The precise

role of the website should also depend on the question whether and to which extent the PES wants to provide active assistance to employers.

### ***Call Centres for the intake of vacancies***

In Great Britain and Ireland the intake of vacancies is only done by the Call Centres. In Ireland there is one National Vacancy Taking Call Centre (NCC) and in Great Britain there are 11 (connected) regional Call Centres. The opening hours of the NCC in Ireland are limited. In both cases the staff is especially trained for their tasks and also the used IT-tools are very supportive for the quality of the intake-interview. In other cases, such as in the Netherlands, the employer can contact the Call Centre to say that (s)he wants to notify a vacancy but after that a signal goes to the relevant office that has to complete the intake.

Ireland and Great Britain have rather positive experiences with the Call Centres. In Germany the experiences with experiments with Call Centres were not positive. The main obstacles were the professionalism of the staff and the fact that the intake by the Call Centre is only a superficial one because there has to be called again by a counselor of the Labour Office. So, the employer is called twice: this costs a lot of time and is annoying for the employer.

The conclusion may be that a Call Centre is a good instrument/tool in a structure where self-service instruments are dominant (such as at the moment in Ireland). But if the PES wants to offer more intensive services (like selection and screening) to the employer, it indeed seems that after the Call Centre has taken in a vacancy a second contact may be needed to make further arrangements with the employer about the services to be offered. However, it must be possible to develop a model or work process in which this is organised in an employer-friendly way. For example: the Call Centre takes the vacancy in, makes arrangements about the services to be offered (based on some broad guidelines and, if possible, services offered to the same employer in the past) and this information is sent to a counselor at the local office. After a first selection of candidates the counsellor then can contact the employer again and make further arrangements about the services. Employers should then be clearly informed about this second contact during the intake.

### ***Scanning of personnel advertisements in newspapers***

In a number of countries (Germany, Great Britain, the Netherlands) counsellors at local offices scan advertisements in newspapers. Normally the objective is to find vacancies that are not already notified to the PES and to contact the employers to offer them the services of the PES. Sometimes it depends on whether or not the vacancy is suited for the registered job-seekers whether or not the employer is contacted.

### ***Strategies to increase the capturing from other sources***

Only a few of the visited PESs have strategies or procedures to increase the numbers of vacancies captured from other sources. None of the visited PESs, contrary to the PESs of Norway and Denmark, have nationwide procedures to obtain information about large numbers of vacancies from newspapers. The Netherlands started with such a procedure, but it was stopped when publishers of newspapers complained and were threatening with claims.

Many PESs have some kind of agreement with staff-leasing enterprises, but only occasionally about the take up of vacancies of these enterprises in the PES-registers. In Flanders, Wallonia and the Netherlands such arrangements about the distribution and publication of vacancies of staff leasing enterprises via the PES-channels do exist. In Great Britain (in the future) such vacancies may be included in the so-called Third Party Job Bank. Next to that staff-leasing enterprises can notify their vacancies to JobcentrePlus, provided that the Jobcentre is informed about the final employer.

Related to the take up of vacancies from other databases in Germany an experiment in Munich is going on in which with a searching engine websites of employers and employer organisation are scanned on vacancies.

AMS in Sweden in this respect is mainly focusing on an efficient information exchange between AMS, other authorities, private agencies, and so on. A tool is developed that will make it possible for all parties on the recruitment market to exchange information about vacancies and CV's in a very cost efficient way. The standardisation of vocabularies will also further increase the transparency of the labour market.

### ***Relationships between the ranking order for PES market penetration and the way vacancies are captured***

The results of our partial analysis point out that it seems that a national structure or procedure for pro-active contacts with employers and also employers having a fixed contact person at the PES are positively related to the level of market penetration. On the basis of the information gathered during the visits to the PESs in the second phase of the study we observe that three of the four visited PESs that have no national structure or procedure for a systematic (pro-active) contact with employers are in the middle (Ireland and Sweden) or at the bottom (the Netherlands) of the ranking order for PES market penetration. Moreover, in Ireland and the Netherlands there is no national policy for giving employers a fixed contact person at the PES. It also seems that especially the national structure for account management is a strong feature of the PESs of France and Great Britain. There exists no clear correlation between the level of market penetration and whether or not the PES has one or more Call Centres. We finally concluded that the position of the Spanish PES (INEM) at the top of the ranking order for PES market penetration is probably not caused by factors related to the way vacancies are captured. So, in Spain there should be another factor or other factors at play.

### ***Good practices***

Regarding strategies and procedures to increase the numbers of vacancies obtained by the PES, only some countries report to have a good practice:

- In Great Britain the regional call centres are seen as a good practice, because the employer gets a very quick professional service.
- AMS in Sweden indicates that their approach of stimulating the self-working capacities of jobseekers and employers is a good practice in their view.

## 6 VACANCY PROCESSING BY PESs

### 6.1 INTRODUCTION

In this chapter we describe and analyse the ways PESs in Europe are processing vacancies once they are notified to the PES. The processing of vacancies in the different countries can be described along the lines of a number of phases that in theory can be distinguished in the process. VDAB in Belgium for example uses a classification into five phases:

- The first phase starts as the employer contacts the PES to notify a vacancy. The formal intake is done and the description and the conditions of the vacancy are made up for publication. There are also made arrangements with the employer about the processing of the vacancy, the timing of activities is discussed (first this, then eventually that), a arrangement is made that the employer is contacted again about the vacancy within three weeks.
- In the second phase the vacancy counsellor in a number of cases will make a selection in the jobseekers database to trace a number of potential candidates.
- In the third phase referral of candidates takes place. At VDAB this can be done both by the vacancy counsellor and counsellors in the jobseeker-line.
- The fourth phase concerns the follow up of the two previous phases (have people applied, has the employer found what he sought for?). If the employer did not find anybody, it is discussed with the employer how the process will be continued (are other or new activities necessary?).
- The fifth phase is the after-care of after-sales. The employer is contacted and (s)he is asked if the recruited person still functions well. The aim of this fifth phase is to keep the clients and to find new vacancies.

First in section 6.2 we look at the question which proportion of the employers that notify vacancies to the PES are asking active involvement or assistance from the PES to fill the vacancy. Furthermore, for the visited countries there is information about the services that are offered to employers in that respect.

Then in section 6.3 we turn to the intake of vacancies: where does the intake take place, which information about the vacancies is registered, how long does a vacancy intake take, is the PES-staff during the intake assisting employers in clarifying job requirements, is the intake directly followed by a first search for candidates, and so on? This information is available for the countries that were visited in the second phase of the study.

Section 6.4 deals with the phases of the process that follow after the intake. This includes for example the ways in which jobseekers can obtain information about vacancies notified to the PES, the methods used by the PESs to match jobseekers and vacancies, how a selection of jobseekers for a vacancy is made, how jobseekers are referred to employers with vacancies, how the follow up of vacancies is organised, if there follow special actions if a vacancy is not filled within a certain period of time, etcetera.

Section 6.5 deals with the question how information about the filling of vacancies is obtained by the PES.

Section 6.6 gives an overview of the ways vacancies are processed in the visited EU countries in relation to the indicator of the market penetration.

The chapter is concluded with section 6.7 in which the conclusions are presented.

## **6.2 EMPLOYERS ASKING ACTIVE ASSISTANCE FROM THE PES AND SERVICES OFFERED BY THE PES**

It seems that in almost all countries the majority of employers (75 – 100 percent) that notify their vacancies to the PES want active assistance from the PES in filling those vacancies (see table C.5 in Annex C). In Flanders this share is comparatively low, because of the high share of vacancies captured through the Jobmanager, which contains a substantial number of vacancies from staff-leasing enterprises that are only distributed by PES-channels. If these results adequately reflect reality, it means that an open system completely based on self-service is probably not what most employers want from the PES. Also six of the ten PESs in the accession countries say that at least 75 percent of the employers want active assistance from them (see table C.5(A) in Annex C).

For some of the countries visited in the second phase of the study we present below which services are offered to employers in this respect to have an idea about similarities and differences between countries.

The standard offer of VDAB in **Flanders** is distribution (of the information on the vacancies) and selection (of candidates). The VDAB reasoning is as follows: employers with some exceptions are obliged to notify their vacancies and the employers should then be provided with free services. Staff-leasing enterprises are the exception: they pay to publish/distribute their vacancies via the VDAB. Besides, the VDAB had a private department offering paid services to employers (training, outplacement, and so on). Lately this department was reshaped into an independent entity (Ltd) that has the Flemish government as the only shareholder.

ORBEM in **Brussels** besides the more basic services (help during the intake of the vacancy, selection of candidates in the database, the possibility to put the vacancy on the web, etcetera) has several training instruments available to bridge the gap between the requirements of a vacancy and the qualification of a jobseeker. There is a special training for those who are not qualified and there are individual lessons for jobseekers to learn foreign languages. If a vacancy is hard to fill, ORBEM can offer the possibility to the employer to train a jobseeker on the job for a period of maximum one year.

In **France** l'ANPE provides next to (pre-)selection the following services to employers: help with the description of the vacancy, help with the choice of the media and help with the selection of candidates. A special selection including assessment also can be offered. With the instrument 'Evaluation en milieu de travail préalable a l'embouche' an employer can try a candidate during 40 hours without actually starting a labour contract (the candidate keeps his/her rights on a benefit).

In **Germany** employers that notify their vacancies to the Arbeitsamt are offered an intake, the first selection and referral of jobseekers. In practice the service to an employer who offers a vacancy is: an intake with possibly some help to formulate the vacancy, a written confirmation of the intake, a referral of one or more candidates also with a written confirmation. This is the practical standard these days. What next to that (officially against the rules) also happens is that it is agreed with an employer that the intaker registers the vacancy and after that only publishes it on the Internet. Visits to the enterprise of an employer by occasion of his offer of a new vacancy hardly occur.

Formally a legal structure that has three levels of services for employers still exists (on paper):

- Basic services: intake of vacancies and referral of clients.

- Basic services plus “Arbeitsmarktberatung”.
- Basic services plus “Beratung bei Schwierigkeiten”; special counselling.

To implement this set of services a special implementation team was formed (the ‘Impulz Team’) but now this approach does not exist in practice any more due to the heavy burden on the organisation caused by the increase of unemployment. The most recent development is that the employer is again the central focus point for the service of the Arbeitsamt but now there is no longer budget for measures as vocational training and so on. The National Arbeitsamt-organisation is preparing a restructuring of the services, especially those for employers. The aim is to introduce new service standards in a “Reformprozesse” that has to take place from August 2003 until December 2005.

In **Ireland** it depends on the region which services are offered. In two regions everything goes through the self-service system: vacancies are published open on the Internet, on touch screens and in Labour Offices. Jobseekers can contact the employer without interference of the Labour Office. In other regions there are more contacts with employers and selection is made.

In **Spain** INEM next to matching and selecting is offering some other services to employers that notify their vacancies. Examples are: the employability training; other kind of pre-contract courses for jobseekers; and the FORCEM system. The latter is a training programme for those who have been employed through INEM. This programme is co-financed by employers and INEM. It provides services of two types:

- Basic services: matching of demand with supply; provision of information to the employers; pre-selection of candidates (on request); pre-entry (short) employability training (for example on working attitudes, general orientation to the youth on their rights and obligations; safety and personal hygiene at the working place).
- Advanced: certification of employee’s skills and capacities through programmes with the associations of professionals; option for cost sharing for training once someone has been contracted (FORCEM programme); advise on administrative matters (‘tramites’).

The level of assistance required from INEM is determined at the intake and is registered at the intake-form. Employers do not pay for any service.

AMS (**Sweden**) has recently defined the services they provide. In total there are 7 services out of which 2 concern the employers:

- recruitment of new staff;
- education before recruitment.

AMS only provides free services. What the Labour Offices don’t do is the pre-selection of candidates (screening of candidates before they are referred) for half open vacancies. The judgement of the AMS is that this service does not correspond with its priorities and that employers can contract out these services to other private companies. The most important for AMS is to provide transparency of the market, provide good instruments for market parties to help themselves as much as possible.

## 6.3 THE INTAKE OF VACANCIES

### 6.3.1 THE PLACE WHERE THE INTAKE TAKES PLACE

In **Flanders**, if an employer contacts a counsellor to notify a vacancy or reports a vacancy to the labour office, a vacancy counsellor is taking up the vacancy. This is also the case when the employer notifies a vacancy by fax, e-mail or letter or by the vacancy notifying form. Also if a vacancy is notified to the call centre a vacancy counsellor of the local office does the intake. There are differences between offices: in the region of Tongeren the vacancy counsellors for example make more contact with employers than in the region Halle/Vilvoorde. Vacancies entered on the website of the VDAB has to be checked and accepted. The vacancy notifying form also contains some data about the company; this is used to keep the data about employers from the VDAB up-to-date. The vacancy is entered in the vacancy database (AMI) by the counsellor or by an assistant counsellor.

Also in **France** the counsellors at the Jobcentres do the intake of the vacancies. Vacancies are in first instance notified by telephone, fax, e-mail or a personal interview with the employer. The practice in **Spain** is very similar: the intake is only done by Employment Officers at the Labour Offices. A single standard form is used. Also in **Sweden** the intake is done at the Labour Offices, except for the vacancies that are entered on the website. If the vacancy is entered at the website and it is validated it is sent to the local labour office. On this point the counsellor comes in contact with the employer to make arrangements about the processing of the vacancy. Also in **Brussels** the intake is done by the counsellors at the ORBEM-offices (divided by sector in four teams). But staff of so-called 'partners' can also directly enter vacancies in the database of ORBEM. Staff of these partners is trained to use the ORBEM information systems.

At the Arbeitsamt in **Germany** when notification of a vacancy is done by telephone it is taken up by special registration-officers in the Arbeitsamt. For offering job vacancies special telephone numbers can be used via which one is connected to the local Arbeitsamt. In a way you can call this a call centre but it is only a passive one. For example, in Frankfurt the Arbeitsamt has 3 full-time qualified and experienced staff members to carry out this task. During the month previous to the interview 890 vacancies were registered. This is a relatively small number because of the time of the year and the not too prosperous economic circumstances. Next to the telephone, Internet is used a lot for notifying vacancies.

In **Great Britain** only the call centres are taking in vacancies. They also collect information about job-entries on these vacancies. The call centre does the intake and agrees with the employer on the date on which the vacancy presumably can be filled and refers the vacancy then to the local Jobcentre. The name of the local Vacancy Service manager is given to the employer by the call centre. The local staff takes over the vacancy (later more about that) and on the earlier agreed date the call centre takes contact with the employer and asks if the vacancy still exists, if not how the vacancy is filled. Also vacancies that are in first instance notified on the website (in fact an e-mail) go to the call centres for a complete intake. The same holds for vacancies notified by telephone, by fax or during a personal interview.

The National Call Centre (NCC) of FAS in **Ireland** is doing the intake of vacancies. Vacancies entered on the website have to be validated by the NCC. Before the NCC existed, the employer had to contact the local office (as in many other countries) and speak to an Employment Service Officer.

In the **Netherlands** the intake takes place at the local CWI or by the national call centre. In most cases the employer contacts the local CWI and is directed to the advisor. During the intake the vacancy taking form is used. At CWI Etten-Leur the vacancy intake is done by all CWI-advisors but the policy is that the fixed contact person should do it. Also in the region of Rotterdam the

intake is done at the local CWI offices. In this region the vacancy acquisition team only acquires the vacancies. The intake is completed by advisors at the CWI-offices in Rotterdam.

### 6.3.2 THE KIND OF INFORMATION REGISTERED DURING THE INTAKE

In this respect there are of course differences between countries but in our view they are relatively small. The practices in Spain and Sweden seem to deviate the most from those used in the majority the other countries.

In **Ireland** the following information is registered about a vacancy:

- Job title.
- Job code (MANCO).
- Job description.
- Number of positions for this vacancy.
- Type of contract.
- Full time or part time job.
- Shifts (yes or no).
- Days per week.
- Hours per week.
- Daily hours.
- Startdate for the job.
- Enddate for the job.
- Education.
- Required language skills.
- Experience required.
- Number of years of experience required.
- Jobseeker needs to have its own car (yes or no).
- Minimum and maximum salary (90 percent of the registered vacancies contain information about salary!).
- Other benefits offered.
- Job location.
- Regular job or employment-scheme.
- Method to apply (e-mail, application form, send CV, phone for interview);o
- Other information.

There is a link with the information of the employer in the employers-database.

In the **Netherlands** some fields that are used in Ireland are not used (for example language skills), but on the other hand CWI Netherlands is, contrary to Ireland, using: drivers license, closing date of the vacancy and the reason for the vacancy. The information that is registered by VDAB in **Flanders** and ORBEM in **Brussels** about vacancies is also more or less similar to the information registered in Ireland. In Ireland, as well as in the Netherlands and Flanders the method to apply is one of the fields in the registration. In **Germany** it is also registered if the employer agrees or not with publication in the Stellen Information Service (SIS, mainly Internet) and if the employer agrees: with or without company details (name, address, telephone number and so on).

INEM in **Spain** seems to register a lot of detailed information about the vacancies. Regarding the post or job the registered details are: the tasks, the technologies used, the equipment used, the characteristics of the working environment, the working style (independent, in a team, as 'socio'), and so on. Regarding the employment conditions: special dress, own transport and (if any) compulsory place of living. In other countries this kind of information will generally appear in the free text about the job description or in 'other information'. It is also registered whether military service has to be fulfilled and whether or not a good conduct certificate is needed. Finally, INEM protocol conditions are registered: what is required from INEM by the employer (such as time available for matching, kind of matching, pre-entry training conditions and special selection criteria).

In **Sweden** during the intake the PES registers:

- Basic info about the employer; most of this info is already gathered during the registration of the employer with the labour office.
- The text for the publication of the vacancy is free and given by the employer himself. A space of 3.600 signs is available for this. Next to the description the working times (part-time or full-time, hours per day and so on), an indication of the salary and special wishes regarding drivers licences can be given.
- Indication is given about the wished period of publication of the vacancy and the way applications can be made.
- It is finally obligatory that the employer gives: the type of offered assignment (seasonal or normal), the desired experience in a similar job, the period for which the job is offered, part-time or full-time and the wage form (fixed wage or provision).
- Finally, an indication of the characteristics of the work must be given on the basis of which an ISCO-code can be attached.

### 6.3.3 AVERAGE TIME NEEDED FOR A VACANCY INTAKE

In most countries it is indicated that a vacancy intake takes around 10 minutes on average. But there can be big deviations from this average. When it concerns a vacancy of an employer that often notifies vacancies to the PES (a fixed client-employer) an intake may only take a couple of minutes. The same holds for vacancies that are (very) similar to a vacancy that was notified before. For other vacancies (unknown employers, complex vacancies and so on) an intake may take much more time than 10 minutes.

In **Flanders** it is estimated that the intake takes around 10 minutes on average. After that the information still should be entered in the information system. A vacancy counsellor in Antwerp says that because of the sectoral specialisation of vacancy counsellors the intake does generally cost not so much time.

An average intake by ANPE in **France** and CWI in the **Netherlands** will cost 10 – 15 minutes and in **Germany** this is 5 – 10 minutes.

In **Great Britain** and **Ireland** the vacancy intake is done through the (regional and national) call centres. In Great Britain the average duration of an intake is around 11 minutes and the manager of the NCC in Ireland estimates that an average intake will take around 10 minutes. In both cases this includes the entering of the information in the database.

INEM in **Spain** has provided an average duration of a vacancy intake of 10 – 30 minutes. This seems a relatively long duration compared to most of the other countries. In **Sweden** an average intake costs 15 – 20 minutes.

#### **6.3.4 ASSISTING EMPLOYERS IN CLARIFYING JOB REQUIREMENTS DURING THE INTAKE**

In most countries the PES officers during the intake assist the employer to clarify the requirements for the vacancy. AMS in **Sweden** indicates that this happens sometimes.

In **Great Britain** it is said that the computer program used by the call centres supports this process.

In the region of Tongeren in **Flanders** this indeed happens during the intake. The requirements are clarified by asking the employers questions like: for what reason language skills are necessary?, why is a driver license needed?, and so on. In another region, that of Halle/Vilvoorde, this is normally not done during the intake, but in later phases of the process (when selections are made or when the employer is again contacted to see whether the vacancy still exists).

CWI Etten-Leur in the **Netherlands** uses the same approach as the VDAB in Tongeren: each time it is asked: why? For example: Why are active skills in two foreign languages needed? Why is this type of education needed for the work?, etc.

In **Spain** the Employment Officers assist in the formulation of the requests and provide information about the options, and also about the 'pro-s and con-s' of certain requirements.

#### **6.3.5 DURING INTAKE: ADVICE ON THE PROSPECTS TO FIND CANDIDATES THAT MATCH THE REQUIREMENTS**

In **Great Britain** and **Ireland**, the two countries that heavily rely on call centre(s) for the intake of vacancies, this information is not given during the vacancy intake. In Great Britain the Vacancy Service Manager of the local Jobcentre Plus office can give this information within two days after the intake. Also in Ireland the call centre does not have matching tasks. So, if this information is given to employers the local offices do it. In **Sweden** this information is given when requested by the employer.

In **France** the information about the number of possible suitable candidates appears on the screen during the vacancy intake. The criteria for the vacancy can be changed, and the consequences (on the number of candidates) can be easily seen. In **Germany** the counsellor can also do so with the help of the computer system that immediately makes a selection.

The VDAB in **Flanders** is informing employers and is giving advice to them about the chances to find someone for the vacancy.

INEM in **Spain** follows the strategy that the intake should be as transparent and conscious as possible; the vacancy intake form has to be signed and handed over officially. Upon return to the Employment Office, the data is included in the system and the first matches can be made. If the employer visits the office for the intake (s)he can wait for first results and then (s)he can be informed about the prospects to find suitable candidates. If the intake takes place at the company, the employer is usually informed the next day about the results of the first matching exercises.

The vacancy acquisition team of CWI Rotterdam in the **Netherlands** is giving such information with the help of a list of the most searched occupations by jobseekers (occupations that appear on the supply side with a high frequency). The same list is used to determine (together with the employer) whether the vacancy will be published open (when the supply of qualified jobseekers is expected to be small) or half-open (when the supply is expected to be large).

### **6.3.6 ARRANGEMENTS ABOUT THE SERVICES OFFERED BY THE PES AND PRACTICAL ASPECTS REGARDING THE WAY THE VACANCY WILL BE PROCESSED**

In most countries during or after the vacancy intake arrangements are made between the PES staff-member and the employer about: the way the vacancy will be distributed via the PES-channels, the method of matching (open, half-open or closed), the contacts between PES and employer during the processing of the vacancy, the way in which candidates have to apply, and so on.

This happens in **Flanders**. It is discussed with the employer what (s)he expects from the PES, the timing of activities is discussed and also the way in which candidates should apply. A minority of the employers is indicating that they only want the vacancy to be distributed (open) via the VDAB-channels. The majority of employers wants a kind of selection by the VDAB.

The way of distributing the vacancy (open, half-open or closed) is also discussed during the intake in **France** (ANPE), as well as the period during which action will be taken to fill in the vacancy and the next contact date.

In **Ireland** the National Call Centre is only asking the employer in which way candidates should apply.

CWI Etten-Leur in the **Netherlands** is discussing with the employer:

- If the vacancy may be put on the Internet (open or half open).
- The way in which candidates have to apply.
- How often there will be a contact between the CWI advisor and the employer and the frequency of the contacts.
- If the advisor should always contact the employer or only if a candidate is found.

Next to that, CWI advisors (in Etten-Leur) always try to visit the employer after a vacancy-intake.

Also in **Sweden** arrangements are made after (or during) the intake: will the employer receive candidates out of the registered jobseekers or not, the frequency of the contacts, how the communication shall take place (telephone, e-mail or fax) and the final date for publication of the vacancy.

### **6.3.7 GOOD PRACTICES RELATING TO THE VACANCY INTAKE ACCORDING TO THE INTERVIEWED PERSONS**

We finally asked the interviewed persons to give their view on the good practices in their country in relation to the vacancy intake:

- In **Flanders** it is mentioned that the information about the vacancy is complete and laconic. A strong feature is also the combination of the Jobmanager-tool on the Internet and support by the VDAB. The introduction of the Jobmanager has led to a significant increase of vacancies.
- Good practices mentioned in **Ireland** are: the up-to-date technology used, the business like approach of the vacancy-intake (professional approach and prompt answers) and procedures that are available to the staff in an easy accessible way (help documents that can be opened on the screen). A possible negative side of the current practice is the opening hours of the National Call Centre (nine to five). On the other hand, employers can always notify vacancies by e-mail, fax or even voice-mail.

- INEM in **Spain** mentions the personal attention to the employer which enables Employment Officers to provide advice and information during the intake. This goes beyond filling in the form. The intake is the best moment to provide information. The disadvantage is that it is time consuming. A solution could be to mix personal attention to those employers who need it and make available interactive facilities available through the Internet for repeat requests and routine handling. To enforce both implies that there should be no ‘free access’ to everybody at the website but that access can be made available only by a code provided by the Employment Officers, once they consider that personal attention is not required anymore.

## 6.4 THE PROCESS AFTER THE INTAKE

### 6.4.1 THE WAYS IN WHICH JOBSEEKERS CAN GET INFORMATION ABOUT VACANCIES NOTIFIED TO THE PES

In the majority of countries jobseekers can obtain information about the vacancies in the PES-registration in various ways: the website of the PES, self-service terminals in labour offices, presentation walls in labour offices and PES-counsellors. These are the channels that are mentioned by almost each PES (see table 6.1). But also audio-visual and written media are used by a number of PESs to reach jobseekers with information about captured vacancies.

The PESs of Luxembourg and Spain are the only two that don't have a website on which jobseekers can search for vacancies. Furthermore, the PESs in two large countries (Germany and Great Britain) do not use publication walls in Labour Offices.

*Table 6.1 Ways in which jobseekers can get information about vacancies captured by the PES (EU/EEA-countries)*

Way	Number of PESs (maximum 19)	Comments
Website of PES	17	Luxembourg and Spain are the exceptions
Self-service terminals in labour offices	18	Exception is the Swiss PES
Self-service terminals in other public buildings	13	
Teletext (text TV)	11	
Presentation walls in labour offices	17	Not in Germany and the UK (two big countries)
Asking PES-counsellors for this information	19	
Vacancy bulletins distributed by the PES	11	
Other ways	8	For example job-phone, sms -message, local radio and TV-stations, (local and regional) newspapers, by PES staff making selections of candidates that fulfil the criteria.

*Source: SEOR questionnaire.*

In the accession countries not so many PESs as in the EU/EEA provide possibilities to search for vacancies via the Internet or via self-service terminals in Labour Offices or in other public buildings. See table 6.1(A).

Table 6.1(A) Ways in which jobseekers can get information about vacancies captured by the PES (accession countries)

Way	Number of PESs (maximum 10)	Comments
Website of PES	8	Cyprus and Estonia are exceptions
Self-service terminals in labour offices	6	
Self-service terminals in other public buildings	1	Lithuania
Teletext (text TV)	2	Hungary and Slovenia
Presentation walls in labour offices	8	Malta and Cyprus are the exceptions
Asking PES-counsellors for this information	10	
Vacancy bulletins distributed by the PES	2	Hungary and Lithuania
Other ways	4	For example, newspapers in Latvia and Slovenia; media in Slovakia and Estonia, regional job centres in Malta.

Source: SEOR questionnaire.

Some additional information was gathered during the visits to the eight EU countries. The conclusion is that the Internet and self-service terminals (in Labour Offices and in some cases other public buildings) are the instruments that are most frequently used by jobseekers to search for vacancies notified to the PES.

In **Flanders** the WIS-terminal (WIS is work information system) are according to some interviewees still the most important search channel for jobseekers. Those WIS-terminals are not only within the labour offices but also in town halls. The use of the Internet is however increasing very rapidly. There are also Internet PC's at the Labour Offices. Another interviewee indicates that the Internet is already used more than the WIS-terminals.

Also in **Brussels** jobseekers can obtain information about vacancies notified to the PES in many ways: the Internet, at the Labour Offices, in newspapers on TV or radio. In each case, the jobseekers first have to contact ORBEM to be referred to the employer concerned.

Also in **France** the PES-website is already the most used channel in this respect, both at home and on the Jobcentres.

Except the presentation on paper on the walls of the offices all possible channels are used by the PES in **Germany**. Also here, especially the website and the self service facilities in the Labour Offices are very popular. An important reason for the popularity of the website is that it has many links to other vacancies-sources (website of other public services but also of newspapers, (professional) magazines, temporary work agencies and so on) and therefore can be used as a starting point for a search for vacancies.

Next to a standard set of instruments provided by the national organisation there are also instruments in use that are special for the various regions ('Länder'). They sometimes take care of advertisements in local or regional newspapers, they have there own Videotext instrument and (like in Hessen) their own "glossy magazine". The interviewees are very content with this last instrument. It is distributed among all employers in Hessen: it contains profiles of people looking for a job and it is used to present employers and there activities in the region.

Also in **Great Britain** the Internet and 'Job Points' (screens in the Jobcentres) are most intensively used by jobseekers. Job Points or Internet Facilities with access to vacancies are installed also in other public places like town-halls, prisons and big stores like Tesco. A

JobCentre can also decide to publish vacancies in a newspaper but that only happens occasionally.

Also the website of the **Dutch CWI** is very often used according to the interviewees. One is even indicating that every visitor of this website on average visits 35 pages on the website. Other possibilities for jobseekers to obtain this information are: touch screens and presentation walls in the CWI offices, text-tv and vacancy columns. Furthermore, there is search for vacancies during the intake for an unemployment or social assistance benefit and during each contact (follow up talks) with unemployed jobseekers. This is, at least at CWI Etten-Leur, seen as an improvement compared to the past.

In **Spain** jobseekers don't have direct access to the database. The system is not suitable for that because it works with numerical codes. Jobseekers have to contact the Employment Officer. There are also general announcements in the Employment Offices. Jobseekers can also obtain information from Employment Officers who perform selections on the basis of the requirements of the vacancy and contact possible candidates (this also happens in many other countries).

All mentioned channels in table 6.1 can be used in **Sweden**, but here also the most used is the Internet-service 'Platsbanken' on the website of AMS.

#### **6.4.2 METHODS USED TO MATCHJOBSEEKERS WITH VACANCIES**

Vacancies can be matched to jobseekers on a closed basis, or published in a semi-open or complete open way. In the latter case vacancies are advertised with full employer contact information. The PES has no control over which and how many people apply for the position(s). In a closed system, the vacancy is not published at all and the employment service identifies the required number of suitable pre-selected candidates from its registers and refers them to the employer. In a semi-open method, vacancies are advertised but without complete employer contact information: a jobseeker who is interested must contact a PES-counsellor to get the contact information. In a half open system, in most cases hardly any pre-selection of candidates is made by the PES. The OECD (2001) concludes that many PESs combine closed, semi-open and completely open methods for matching, but in various ways. In our questionnaire we asked PESs which methods are used, and to give an indication of the proportion of vacancies for which each method is used. The results for the EU/EEA-countries are presented in table 6.2.

A number of PESs cannot give exact figures about the proportions of vacancies for which the various methods are used. In most countries the method that was mainly used in 2002 was the open procedure in which jobseekers can contact the employers directly. This holds especially for Flanders, Finland, Ireland, Italy and Norway (and probably also Sweden, see later on). These results are in line with the observation of the OECD that a self-service approach to PES service provision has become very common. Not only vacancies but also other labour market information is made available through self-service media (to jobseekers from the start of the unemployment spell).

Luxembourg, Portugal and Great Britain seem to be the exceptions in this respect. In Great Britain for 70 percent of the vacancies only a limited number of jobseekers, pre-selected by the PES, are referred to the employer. In Luxembourg and Portugal the same method is predominantly used. From the visits it became clear that also a couple of other PESs (ORBEM in Brussels and INEM in Spain), for different reasons, are still mainly using half-open or closed methods.

*Table 6.2 Matching methods used by the PES once a vacancy has been notified and proportion of vacancies for which the methods are used, 2002 (EU/EEA-countries)*

Country	Jobseekers are allowed to contact employers directly (open method)	Contact between jobseekers and employers can only take place via the PES-office, but hardly any pre-selection of jobseekers is made by the PES	Only a limited number of jobseekers, pre-selected by the PES, are referred to the employer	Comments
Austria	Yes	Yes	Yes	Proportions cannot be given
Belgium – Brussels	Yes	Yes	Yes	Proportions cannot be given.
Belgium – Flanders	Yes: 94%	Yes: 15%	Yes: 5%	
Belgium – Wallonia	Yes: 70%	Yes: 30%	No	
Denmark	Yes	Yes	Yes	Proportions cannot be given
Finland	Yes: 85%	No	Yes 15%	
France	Yes: 38%	Yes: 41%	Yes: 21%	
Germany	Yes: 70%	No	Yes: 80%	Proportions are very rough estimates. Both methods are used for the majority of vacancies
Great Britain	Yes: 30%	No	Yes: 70%	
Iceland		100% (??)	100% (??)	
Ireland	Yes: 90%	Yes: 5%	Yes: 5%	
Italy	Yes: 95%	Yes: 33%	Yes: 66%	Figures based on experiences in a couple of regions
Luxembourg	Yes (occasionally)		Yes (main method)	
Netherlands	Yes	Yes	Yes	Proportions cannot be given
Norway	Yes: 75 – 100%	No	Yes: 0- 25%	
Portugal	Yes: only limited at this moment	Yes: 9%	Yes: 90%	Dependent on the type of vacancy. Estimates for 2003 already.
Spain	Yes	No	Yes	
Sweden	Not answered	Not answered	Not answered	
Switzerland	Yes	Yes	Yes	

Source: SEOR questionnaire.

As far as proportions have been reported by the PESs from accession countries, it seems that only the PES in Hungary mainly uses the open method for matching. The PESs of Cyprus and Malta don't use the open method. The PES of Cyprus always refers only a limited number of pre-selected jobseekers to the employer. Also the PES in Estonia mainly uses the half-open or closed method.

*Table 6.2(A) Matching methods used by the PES once a vacancy has been notified and proportion of vacancies for which the methods are used, 2002 (accession countries)*

Country	Jobseekers are allowed to contact employers directly (open method)	Contact between jobseekers and employers can only take place via the PES-office, but hardly any pre-selection of jobseekers is made by the PES	Only a limited number of jobseekers, pre-selected by the PES, are referred to the employer	Comments
Cyprus	No	No	Yes: 100%	
Czech Republic	Yes	No	Yes	Other procedure: PES makes selection of seekers if there is a requirement of employer (Proportions can not be given)
Estonia	Yes: 25%	Yes: 45%	Yes: 30%	
Hungary	Yes: 80%	Yes: 30%	Yes: 15%	
Latvia	Yes	Yes	Yes	Proportions cannot be given
Lithuania	Yes	Yes	No	Proportions cannot be given
Malta	No	Yes: 40%	Yes: 60%	
Poland	Not available	Not available	Not available	
Slovak Republic	Yes	Yes	Yes	Proportions cannot be given.
Slovenia	Yes	No	Yes: 39%	

Source: SEOR questionnaire.

Also on this point we collected additional information in the visits to the eight countries.

The VDAB in **Flanders** indicates that the employer in the end decides which method is actually used. Of course the counsellor can give advice to the employer on the basis of his/her experience. Around 90 percent of the employers choose to use (also) the open system. Next to that for 85 to 90 percent of the vacancies selections are carried out by VDAB (note that this deviates from the answers given in the questionnaire). A vacancy counsellor from a region in Flanders however indicates that '..... currently for about 25 percent of the vacancies selections are carried out. Two years ago this was still around 75 percent'.

ORBEM in **Brussels** mainly uses the half-open method; the vacancies are published without the name and address of the employer in the offices. After selection in the database the counsellor is in most cases having talks with the selected jobseekers. Sometimes, when the employer needs someone at very short notice (for example for posts in education), the talks are held by telephone. The name of the employer is never published for vacancies from employers in Brussels (except for posts in education; for vacancies from employers outside Brussels this is

also different). So, currently the jobseekers must first contact ORBEM and the open method (a complete self-service system) is not used. The main reason for this is that ORBEM also wants to provide possibilities to people that have a relatively bad position on the labour market. With a fully open system these people will often not be selected by employers. There are plans however to start with the open method for vacancies for higher skilled work (for which a certain diploma is required) in the near future. People with a distance to the labour market generally are not qualified for those vacancies. It is agreed with the employer what should be the maximum number of candidates to be referred and this number is fixed in the database.

Also in **France** the open method is used, but not for the majority of vacancies.

In **Germany**, like in Flanders, the open system is used for the majority of the vacancies, but at the same time counsellors of the Labour Offices can perform selections for the vacancies.

All vacancies are on the website in **Great Britain**, however 60 percent without the name of the employer (so half open). The contact information of the employers is presented for 40 percent of the vacancies. Counsellors may still perform selections for these vacancies. Note that the percentage for which the open method is used is again somewhat higher than in 2002 (see table 6.2).

In **Ireland** in most regions the FAS-offices do contact the employer after a vacancy is notified at the National Call Centre. The offices in two regions do not. In those two regions only the open (self-service) method is used. The open method is used in all regions, but next to that the FAS-offices in many of the rural areas still carry out selections. FAS does not offer screening (pre-selection) as a service to employers (this is similar to Sweden). Still some employers prefer to use the half open or closed method, especially traders and employers operating from their home address. The FAS however discourages the use of the closed system and encourages the use of the open system.

The CWI in the **Netherlands** was established at January 1<sup>st</sup> 2002 as successor of the Arbeidsbureau. The idea was that CWI should deal with unemployed and other jobseekers that have no distance to the labour market, and therefore the matching should primarily take place via the use of self-service instruments by jobseekers. But this idea, strongly focused on self-service methods, has already been abandoned again. There are two main reasons for that. In the first place, employers often want some kind of pre-selection; they don't want 100 applicants, for example. This could be related to the changed labour market situation in the Netherlands (unemployment is strongly increasing). Apart from that, jobseekers often want to have some more information about the company (company culture, for example) and to talk to an advisor to find out whether a vacancy is suited for them. At CWI Etten-Leur the half-open method is used most. The open method is used less frequent, in fact only for TWA's. The vacancies entered on the Internet by employers are always open. Therefore, CWI Etten Leur does not promote the use of the Internet to enter vacancies. They prefer that employers choose the half-open method. Also CWI Rotterdam reports increasing numbers of vacancies for which CWI is performing a screening of candidates.

INEM in **Spain** uses all three methods (plus another three for special circumstances). The half-open method is via public announcement at the Employment Office. But the bulk of the referrals are based on the matching in the system. In principle the first ten jobseekers are informed. If the employer selects no one of this group, the next ten persons follow. If at the third referral no one has been contracted, the Employment Office enquires about the reasons, and if necessary adjusts its search requirements. Also if the open method is used, the Employment Office refers jobseekers to the employer.

The most wished (by the policy makers) method in **Sweden** is the open method as it helps to achieve the highest transparency on the labour market. The half open and closed methods are

also in use but together they are only used for 10 to 15 percent of all notified vacancies. Regulation of the number of applicants (as far as this number can be influenced by the Labour Office) can be part of the arrangements made during the intake of the vacancy.

### 6.4.3 THE SELECTION OF CANDIDATES AND THE CRITERIA USED

If a selection of candidates for a certain vacancy is made by PESs in EU/EEA-countries, the most common way is to make the selection out of the jobseekers registered with the PES. The counsellor performs a selection procedure on the jobseekers in the database. Almost all PESs say to use this method. Almost 65 percent of the PESs also make a selection out of jobseekers that show their interest in the vacancy. Other methods to make a selection are hardly used. The results for the PESs of the accession countries are quite similar: all PESs make selections out of the jobseekers registered with the PES and 60 percent also selects people that show their interest in the vacancy.

Regarding the selection of jobseekers from the database, counsellors of VDAB in **Flanders** can use several criteria for making a selection. They make first a broad selection and after that the selection is made more and more specific. If counsellors search too specific in first instance, than a too small number of candidates will come out of such selection. Criteria that are often used are, for example: drivers license (if needed), language skills, diplomas, occupation and distance from the place of the work. The counsellor uses his/her knowledge and experience. One of the interviewees however indicates that selections are often not needed in the present labour market situation. Candidates for the vacancy will show up anyhow, at the jobseekers-line or directly at the employer. For some specific occupations selections are made, most of the times on the basis of occupation and/or education. Also language skills and the working time arrangement (part-time!) are used in the selections.

A selection (if done) is made the day after the intake of the vacancy. An immediate selection does take place for vacancies for teachers. Another interviewee from another region however says that a selection is made within 3 days after the vacancy intake. In first instance the supporting staff of the employer-line is performing the selections.

The VDAB is currently experimenting with an automatic matching system. If a search is made on the basis of the vacancy, a list of jobseekers will appear with a descending matching score. The highest score is 100, which means that the jobseeker fits perfectly well the requirements of the vacancy. The lower the score, the lower the fit. The score is determined on the basis of ten criteria which all have their own weight and value. This method gives, according to one of the interviewed persons, a first, very quick, correct and reliable indication of the extent that jobseekers are suited for the job. The experiment is also meant to adjust the weighting of the various criteria. Another interviewee from a region in Flanders thinks that this system is a very clever tool for the work of the counsellors. In the Netherlands a similar system is used on the website of CWI. Here, employers can search for candidates when they have entered a vacancy. However, VDAB does not know yet if the system will also be available for use of the clients of VDAB on the website. In principal such a client-version exists, but regarding the use of the system external users cannot be trained and instructed in the same way VDAB counsellors are trained/instructed. Moreover, external users do not take the time to read instructions on the website. Without training and instruction the use of the automatic matching system may lead to disappointing results in the end.

In **Brussels** a selection is made the same day of the vacancy intake, sometimes the day after the intake. For the selection there are many possibilities.

In **France** the requirements of the employer are indicative for the selection.

In **Germany** all the items together determine the selection; the employer can give indications for the weights of the items. On the same day on which the registration takes place the vacancy is processed to the counsellor ('Arbeitsvermittler') who immediately searches his 'own' database and, since September 2002, also the national database if necessary and appropriate. The use of the last mentioned possibility can have as a consequence that employers are overloaded with candidates from all over the country. This has already often happened especially with vacancies for IT-staff. The way to restrain the number of applicants for an employer is to agree that only written applications are allowed. For next year there are concrete plans to change this undesired situation. Then a procedure will be introduced in which one staff member is responsible and maximum number (agreed on beforehand with the employer) of referrals will be made to the employer.

In the system of the FAS in **Ireland** the search can be done in numerous ways. Selections of candidates can be made by manco-code (a code for the occupation), occupation, experience, country/location, full-time or part-time job, etc. A vacancy can be matched to multiple clients. But again, the system in Ireland currently is mainly an open system.

In the **Netherlands** a selection is made in the information system of CWI; many criteria can be used to make the selection. Selections of unemployed are made on the day of the intake or the day after the intake. Furthermore, new vacancies are presented during the vacancy-meetings of the advisors: the idea behind this is that another advisor can have jobseekers in his/her case-load who are qualified for the job. Furthermore, jobseekers are selected from the mails and telephone calls an advisor gets. The offices of CWI in Rotterdam for the selection again are using maps that contain CV's from jobseekers. Also in Rotterdam, most of the new vacancies are discussed in periodical vacancy-meetings (each morning) of the advisors.

The selection in **Spain** is almost only performed by searching in the database system. Many data of the jobseekers are registered.

In **Sweden** the routine is to match registered jobseekers with incoming vacancies.

#### **6.4.4 METHODS USED TO REFER JOBSEEKERS TO EMPLOYERS WITH VACANCIES**

In most visited countries jobseekers are referred to the employer with a vacancy in different ways. In all countries, except Spain, the employer is not informed in advance which jobseekers are referred to him. In Sweden no standard procedures exist. The method(s) of referral and other details (whether employer is informed in advance about the referrals, etcetera) are settled in agreement with the employer. Unique is ORBEM in Brussels: most of the referrals are here made in a personal talk.

The referral can be done in different ways in **Flanders**. Firstly, via a telephone call. This method is used if there is a real hurry to fill the vacancy, for example vacancies to replace sick teachers in schools. Secondly, the referral can take place by letter. This method is often used if it concerns a relatively large number of candidates. In this way possible candidates are informed about the vacancy. Whether this method is used also depends on the occupation: is it a blue-collar or white-collar job? Thirdly, candidates can be invited for a referral interview. The way the candidates are invited for this interview may differ. These interviews are held by counsellors of the jobseeker-line. The jobseekers-line is located in so-called local work centres (in cooperation with the local administration) which offer services to jobseekers. The employer-line is not always located in the same building as the local work centres. So, there is a division in administrating vacancies and referrals. For specific vacancies or vacancies for which relatively large numbers of new employees are needed special information meetings are organised for groups of (20 to 30) jobseekers. Often this is organised together with the employer. Employers are not informed in advance about the candidates that are referred to them.

ORBEM in **Brussels** is unique in this respect. Here, there is always a talk/interview with the jobseeker before (s)he is referred to the employer. The talk is done by telephone when the vacancy is selected by the jobseeker through the web.

It is most common in **France** to refer jobseekers through a telephone call or a letter. A new possibility is that jobseekers are informed by a telephone automate that even can give the message to an answering machine. The counsellor only has to choose for this option after selecting candidates in the system. Employers can be informed on beforehand about the referred candidates, but this is not a rule.

In **Great Britain** referrals are mostly made at meetings that benefit receivers have at the Jobcentre. Referrals by telephone are also done. Informing the employer in advance is not a standard practice. What happens is that the advisor in the Jobcentre contacts the employer for the jobseeker to arrange an interview with the employer.

When FAS-counsellors in **Ireland** refer people, it is mostly done via a personal talk or by letter. The information system can produce several standard letters (relating to vacancies) for unemployed. However, it is mainly an open system, so most people can directly get in contact with the employer. What FAS also has, is a text messaging service by SMS. Through this service, jobseekers can be informed about a certain vacancy. The service however is not used very often; the reason for this is the high turnover of mobile phones.

In the **Netherlands** the referrals are mainly done by telephone, by letter or by e-mail. Special personal interviews are usually not held for that aim, but a jobseeker can be referred to a vacancy during the monthly placement-interview with the CWI-advisor.

In **Spain** the used method depends on the agreement with the employer. Usually the employer sets a time when (s)he will receive the candidates. The Employment Officer informs the jobseekers most often by telephone or (if a telephone number is not available) by letter. Electronic mail is highly exceptional. Since use is made of regular post and un-taped telephone calls the communication has no legal status. It cannot be used for example to force someone to attend the meeting with the potential employer. If someone does not show up several times, the fact of having been informed by INEM is not sufficient to take disciplinary sanctions in terms of affecting the unemployment allowance. In Spain employers are informed on beforehand, when INEM refers jobseekers to them. In practice, an appointment is made by INEM for the jobseeker. The employer receives the name of the jobseeker and the corresponding CV as registered by INEM.

The methods for referral used in **Sweden** depend on the agreement with the employer. Whether or not the employer is informed in advance about the referred jobseeker(s) is also part of the agreement.

#### **6.4.5 THE FOLLOW UP OF THE VACANCIES**

The follow up of the results of the referrals of jobseekers to employers with vacancies is done by:

- Contacting the employer and asking him for the results (7 PESs, those of Brussels, Wallonia, Denmark, France, Great Britain, Portugal and Switzerland).
- By contacting both the employer and the jobseekers (11 PESs: Austria, Flanders, Finland, Germany, Iceland, Ireland, Luxembourg, the Netherlands, Norway, Spain and Sweden).

Besides, in Norway jobseekers are obliged to report when they have found a job and in Finland there is co-operation with the Social Insurance Institute to get information about changes in a person's (benefit) payment. This will lead to earlier information about placements. In Luxembourg employers are always asked to inform the PES about the results of the efforts to

realize placements. Nine of the ten PESs from the accession countries follow the results of the referrals by contacting both the employer and the jobseekers.

Twelve of the nineteen EU/EEA-PESs that answered the questionnaire regularly check, with a certain frequency, whether vacancies are still open. Precise time intervals are mentioned in a lower frequency. Six PESs mention fixed time intervals ranging from 1 week (France) to 1 month (Finland and Iceland). Both the PES of Wallonia and the PES of Great Britain indicate that follow up times are agreed with the employer when a vacancy is taken in. The same is true for Sweden, as became clear from the visit, but in Sweden many vacancies have a fixed date for publishing.

Norway does not regularly check whether vacancies are still open because the Norwegian PES has automatic cancellation procedures. In Austria there is a permanent matching and there are fixed timeframes when the PES-officer has to contact the employer in respect of the vacancy (this does not apply to vacancies on the E-job room on the website).

The practices in this respect may differ for certain types of vacancies:

- In Flanders vacancies with additional PES-services are followed by VDAB-vacancy counsellors but on-line registered vacancies without extra services are administered by the employer.
- In Wallonia for the vacancies entered on the website, the employers determine in advance the duration of the publication and so de-activate (close) the vacancies themselves.
- Portugal also has some rules depending on the type of vacancy. For those vacancies for which the employer demands a PES intervention, he will have to introduce a term-date of validity for the vacancy – after which the vacancy will be automatically closed. For vacancies only advertised at the website, that do not require a PES intervention, this date of validity need not be filled. For these vacancies the standard validity period is 60 days after which the vacancies will be closed. Some days before the end of this default period is reached the employers receive an e-mail reminding them of the vacancy registration and of the need to update its status or contents and/or withdraw it.
- Employers in Sweden that have entered the vacancies themselves are also able to take them away.
- In Latvia when an employer enters a vacancy on the PES-website (s)he indicates the period for which the vacancy is open (ranging from 1 week up to maximum 8 weeks). After this period the vacancy is closed automatically (deleted from the website).

Also in respect to the follow up of vacancies we collected additional information during the visits.

The vacancy counsellors of the VDAB in **Flanders** keep contact with employers by letter or e-mail but preferably by telephone: what is the status of the vacancy, did the employer get sufficient candidates, has something to be changed in the processing of the vacancy? A first contact of this type is made within 14 days after notification of the vacancy. After that approximately once in two weeks there is a contact with the employer. Contacts with the jobseekers to follow the results of the referrals are not standard in the procedure: only if a jobseeker has not visited the employer. The pathway-counsellors at the local work centres are mainly doing this on the basis of their assisting/guiding role for the jobseeker. The jobseeker is hardly assisted in the first 6 months of unemployment; after 6 months of unemployment they are included in a pathway.

The counsellors of ORBEM in **Brussels** have contact with the employer once a week. The following questions are discussed with the employer: did you already find someone, are you satisfied with this person, is the vacancy still open, should ORBEM refer other people, etc.?

In **France** it is rather simple: normally after 10 days the employer is contacted but there is no fixed frequency (it depends). Every 10 days the employer is contacted again. However, one interviewed person says that the period in between contacts depends on the type of the vacancy. For a simple vacancy this is around 15 days, for an intermediate vacancy one month and for a vacancy for a highly qualified worker it can be three months. Jobseekers are not contacted to obtain information about the results of the referrals. Normally, it is tried to get this information first from the employer.

In **Germany** there is a discrepancy between the information obtained at central level and the information obtained from the people who work in practice. At central level it is said that the employer is contacted once in every two or three weeks if referrals have been made. Otherwise, after three months the system gives a signal to the counsellor who calls the employer and discusses with him whether or not the vacancy has to be kept active in the database. Some interviewees however indicate that in practice there will be a contact with the employer at the beginning (intake) and at the end of the process.

Also jobseekers are asked about the results of referrals. Together with the referral it is agreed with the client when he has to come back to report the result to the PES. A number of clients have an unemployment benefit and they must visit the Arbeitsamt every month. At that occasion people are asked about the results of their referrals. People without a benefit are not asked about those things. At central level it was told that people without a benefit have to report about the results of referrals and other activities. If they don't obey this rule they will be removed from the system after three months.

The Vacancy Service Manager (VSM) of the Jobcentre in **Great Britain** has contact with the employer within 48 hours after the intake. After that it depends on the arrangements that are made with the employer. Normally the VSM has periodical telephone contact. Two to four weeks is a normal period between two contacts. During the intake a date is agreed between the call centre and the employer on which the call centre contacts again the employer to check possible job entries on the vacancy and this indeed is done on this date. The results of the referrals are also obtained from jobseekers during the interview at the Jobcentre that is held once in every two weeks.

In **Ireland** there is no systematic contact with employers during the processing of the vacancy. The National Call Centre is supposed to perform the follow up of vacancies. As indicated earlier in some regions the FAS still has contacts with employers, but in other regions not. This is seen as a problem by a majority of the interviewed persons. Many regions and also the central level would like to build relationships with employers again. They want that officers in the offices again become (and feel) responsible for the vacancies. Now, they don't know enough about difficulties in recruitment. Besides, half of all vacancies concern vacancies in the framework of the Work Permit procedure. Also for this reason, it is important to know about the real recruitment difficulties. Contact with employers is also important to give good guidance to unemployed jobseekers. It is difficult to give good guidance if you don't know the demand side. Furthermore, employers appreciate the contacts. The contacts can also be used to communicate with employers about the requirements and lead to a redesign of the job vacancy. Through such contacts, FAS officers can also provide employers with advice on other options, like advertisements in the national press and training instruments. A problem in this respect can be that the current staff did not develop the skills for this kind of work.

In the **Netherlands** the frequency of the contacts with the employer depends on what is agreed about it with the employer. The contact is generally made by e-mail or telephone. Unemployed (with a benefit) are asked about the results of their referrals during their monthly placement interviews. CWI Rotterdam indicates that the employer gets a feedback of the results of the

selection in the database of jobseekers. Furthermore, within two weeks there should be again a contact with the employer and again within four weeks after the intake of the vacancy.

It varies by 'Comunidad' in **Spain**. There is no fixed system for the follow up. Employers indicate during the intake how many candidates they want to see. If not, or for the more general jobs (construction workers) two groups of 10 candidates are referred to the employer. If no one is contracted after the second referral, the Employment Officer contacts the employer and employer adjusts the selection criteria. The results are automatically known by INEM, since the database for contracts is linked to the matching database. So, the persons that are recruited and signed a contract are known by INEM and removed from the matching database. All companies and jobseekers have unique codes. Employers are obliged to provide feedback via a standard form on which they have to indicate why someone has been selected and others are not. The not selected candidates automatically get a referral code. That code changes ('counter') each time (s)he has visited a potential employer. The employer has to indicate for each candidate why (s)he has not been selected. There are some predefined codes for that. However the most frequently used code is that of 'other reasons', so it is rather pointless.

What is interesting is that the higher the number of failed attempts, the higher the priority that the jobseeker has in the matching programme. But if the number becomes very high, the Employment Officer tries to find out the reasons why the particular person was not selected (for example because of attitude problems). If necessary, the Employment Officer offers options to overcome the weakness (courses, employability training, personal presentation, etc.).

At the intake form, the employer indicates whether a certain post is 'open ended' or not. For example, some enterprises always look for young bright professionals. In the other cases, the post is removed after the contract data have been cross-checked. In all other cases there is a 90-day update with the employers by the Employment Officer (each Officer has a unique code as well, so he can run 'his/her' records whenever required).

Also in **Sweden** there are no standard rules for the contact with the employer during the vacancy processing. It depends on the agreements made with the employer during intake. For jobseekers job-suggesting letters are used in order to be able to follow up the results. Sometimes jobseekers are called. An existing routine is that the AMS contacts the employer when the application time is over.

#### **6.4.6 SPECIAL ACTIONS TO FILL VACANCIES THAT ARE STILL OPEN AFTER A CERTAIN PERIOD OF TIME**

When a vacancy is not filled within a certain period of time, it may be hard to fill it without some special actions. Have the PESs in the visited countries such special actions available?

The VDAB in **Flanders** has several possibilities, mainly in the field of training. An individual vocational training (with a maximum duration of 6 months) is possible if there is no (future) supply of jobseekers.

The special instruments (training, individual language training, and so on) of ORBEM in **Brussels** were already mentioned in one of the previous sections.

ANPE in **France** indicates that special actions are always used if a vacancy is not filled after a certain period of time. The idea is to renegotiate with the employer about the demands or to propose a special training for candidates. Another possibility is to enlarge the geographical scale of the search (the search for candidates by Eures can be done even in other countries).

In **Germany** this depends on the situation. What happens most often is that the area of the search for candidates is enlarged. Extra actions can be: publication outside the region, the use of

Video-text, international publication, and so on. As already mentioned earlier currently the available budgets for training are scarce.

In the **Netherlands** the possibilities of CWI for special actions are very limited. Training and wage subsidies are no longer provided by CWI. CWI Rotterdam however reports that they would like to provide some short-term training again, which will be provided by a privatised training institute.

Like in France, in **Spain** there are always actions in such a case. Either the selection criteria are adjusted or, if required, the employer is advised to adjust the conditions (such as salary level). In some cases the options for European contracting are discussed and suggested. INEM also has different possibilities for training (see before).

In **Sweden** special help will be offered when the employer requires such a service and if the Labour Office experiences that there are problems with the filling of the vacancy. The special help can be an advice to adjust (to widen) the requirements and to search more actively for suitable candidates elsewhere in the country.

#### **6.4.7 THE AUTOMATIC CLOSING OF VACANCIES**

Previously there was already said something about automatic closing or cancellation procedures for vacancies in some countries. In this section we will give a more complete picture. First, we present the information collected by the questionnaire. After that some additional results from the visits are discussed.

Nine PESs that answered this question in the questionnaire do have procedures for (automatic) closing of vacancies or cancellation of vacancies from the registration. In Norway vacancies are automatically cancelled on the expiration date. If no expiration date is given, the vacancy is automatically closed five days after it was published. If the vacancy is directly notified to the PES, the vacancy may be closed before the expiration date if it is filled. Flanders has a semi-automatic procedure, in which the employer is informed in advance about the fact that the vacancy will be removed from the databases. For vacancies in Jobmanager this happens after three months, for vacancies in the regular PES-database after six months and for vacancies of TWA's after 14 days. With FAS in Ireland vacancies have an automatic closing date (the default is 8 weeks after insertion) but they will be frequently checked before that by FAS-staff and often closed manually (during the visit it became clear that this is the case for about half of the vacancies; one of the indicators for the new plans to have a better contact with employers is that the share of manually closed vacancies should increase to 75 percent). In Luxembourg vacancy notification in principle is valid during one month, unless this period is prolonged. The PES-officer has the possibility to change this time period. In the Netherlands no automatic cancellation procedures exist, but employers will get a message after a certain period in which they are asked if vacancies are still open and should still be presented. In Switzerland, without prior indication of the employer, the vacancies are cancelled after a delay of two months. The vacancies in Portugal are automatically suspended from the system when the number of work positions linked to a job vacancy is equal to 0 and there are pending interventions from the PES, such as referrals (when there are no such pending interventions, the vacancies are automatically removed and archived) or when the period of validity of the vacancy expires. Suspended vacancies may be either archived or returned to the active files when the results from those interventions are registered in the system by PES-staff. In Great Britain, from October 2003 onwards, vacancies will suspend automatically based on the vacancy closing date entered at the time the vacancy is taken. Until October, closure was carried out when the employer notified the PES that the vacancy was filled or that new employees were no longer needed.

Half of the PESs in the ten accession countries have (semi-) automatic cancellation procedures. In Slovenia the vacancy is automatically cancelled after the period for application has expired.

In Latvia when an employer enters a vacancy on the PES-website (s)he indicates the period for which the vacancy is open (ranging from 1 week up to maximum 8 weeks). After this period the vacancy is closed automatically (deleted from the website). In Hungary the computer programme gives a warning to the Employment Officer after 60 days, who may decide whether to cancel the vacancy or not. In Malta all vacancies are automatically closed after a 15 days exposure period. With the registration of a vacancy in Estonia an expiry date is defined. After this date the vacancy will be closed.

In **Germany** there is no automatic closing of vacancies. Three months after the vacancy is entered the system gives a signal. At this point the counsellor normally contacts the employer and asks him if the vacancy is still actual.

The standard procedure (up to October 2003, see above) in **Great Britain** is that the regional call centre contacts the employer after a certain period of time (on a date determined during the intake) to check the results of the publication of the vacancy. During the period of publication the Vacancy Service Manager is the person who keeps in touch with the employer.

In **Ireland** vacancies are automatically closed at the expiration date that is entered during the vacancy-intake (the default is eight weeks after the vacancy intake). This automatic closing is done by a batch job at midnight. Vacancies can be re-activated again. It is not known how many vacancies are re-activated; it is not counted. If a vacancy is re-activated it has to be validated again. This happens automatically if the NCC is called for the reactivation. Manual closing of vacancies can be done by staff of the NCC and through so-called professional users in the local offices (only one user or some users per office).

In **Spain** there is no automatic cancellation of vacancies. The check of unfilled vacancies (posts) has to be performed by the Employment Officer at least every 90 days. Each Officer can 'run' his/her own records.

The procedure in **Sweden** is that the counsellor agrees a date of ending of the publication of the vacancy with the employer. It is the responsibility of the counsellor to keep in touch with the employer to keep the content of the vacancy database up-to-date.

## **6.5 HOW INFORMATION ABOUT THE FILLING OF VACANCIES IS OBTAINED**

The questionnaire included questions about the definition of a vacancy filling. Some important points in relation to this issue are:

- In Flanders and Wallonia the PESs have left the concept of “a vacancy filling by the PES”. The argument is that it is important that the employer finds a solution, which means that the vacancy is satisfactorily filled, either by the PES or through other channels. Those two PESs follow the logic of the diffusion/distribution of job offers. In Flanders this concept was abandoned also because the data were not available anymore. When the PES started to use the open system, jobseekers could apply directly without counsellor’s mediation (also jobseekers that are not registered with PES). When an employer announces the vacancy through channels different from PES it is later difficult to say what was PES role in filling such a vacancy (if at all).
- In Great Britain job entries (vacancy filling) are not recorded for Apply Direct vacancies those where employer details are given on the vacancy so that the jobseeker can contact the employer directly without speaking to a member of PES-staff.
- The Estonian PES doesn’t use the term ‘vacancy filling’ but the concept ‘persons who received job’ and this covers all registered unemployed persons who have received some

kind of job through PES or on their own. So this is quite similar to the concept used by the two PESs in Belgium.

Thirteen PESs answered the question about which criteria are used in defining a vacancy filling. For twelve of these PESs a vacancy filling requires a direct notification of the vacancy to the PES by the employer. At the same time eight of those PESs report that a vacancy filling can refer to every type of captured vacancy. This seems to be a contradiction, but we have to notice that for most PESs (Norway and Denmark are the exceptions) direct notification is the only or main source for obtaining vacancies. For seven of the thirteen PESs a vacancy filling also requires the placement of a jobseeker who was a client of the PES. The same kind of results are found for the PESs of the ten accession countries (eight of them answered this question).

The way PESs measure its own role in vacancy filling varies between countries. The seven PESs that use surveys among jobseekers for that aim also use surveys among employers (see table 6.3). Austria, Germany and Portugal only use the (officially audited) information in the PES-registrations to assess its role in vacancy filling. Luxembourg indicates that vacancy fillings by the PES are not the main priority of the PES. In Spain the not filled vacancies and the causes of it are also analysed: professional profile demanded, labour conditions, wage, etc. The Swiss PES indicates that the verification of vacancy fillings is not systematic.

*Table 6.3 Ways in which the PES measures its own role in vacancy filling (EU/EEA-countries)*

Ways	Number of PESs (maximum 19)	PESs
Through surveys among employers	11	Brussels, Flanders, Wallonia, Denmark, France, Finland, Great Britain, Ireland, Netherlands, Norway, Sweden
Through surveys among jobseekers	7	Brussels, Flanders, Wallonia, Great Britain, Ireland, Netherlands, Norway
Through information in PES-registrations entered by counsellors (not officially audited)	7	Brussels, Denmark, Finland, Iceland, Ireland, Netherlands, Sweden
Through information in PES-registrations entered by counsellors (officially audited)	9	Austria, Flanders, Wallonia, Germany, Great Britain, France, Iceland, Portugal, Spain
Another way	2	Spain and Switzerland

*Source: SEOR questionnaire.*

In the accession area the PESs that use surveys among jobseekers (Czech Republic and Poland) also use surveys among employers to assess its role in vacancy filling. Cyprus, Malta and Slovak Republic use the officially audited information in the PES-registrations entered by the counsellors.

*Table 6.3(A) Ways in which the PES measures its own role in vacancy filling (accession countries)*

Ways	Number of PESs (maximum 10)	PESs
Through surveys among employers	4	Czech Republic, Hungary, Slovenia, Poland
Through surveys among jobseekers	2	Czech Republic, Poland
Through information in PES-registrations entered by counsellors (not officially audited)	3	Hungary, Latvia, Lithuania
Through information in PES-registrations entered by counsellors (officially audited)	3	Cyprus, Malta, Slovak Republic
Another way	2	Slovenia: PES gets every month data from Health Insurance about workers who were reported to their system; the data includes also the reference number of job vacancy which was previously notified with PES  Estonia: Up till now there was no statistics, but from 2003 it is done through the information in the PES registration entered by the counsellors

Source: SEOR questionnaire.

## **6.6 MARKET PENETRATION AND THE WAYS VACANCIES ARE PROCESSED**

In the table 6.4 below we summarise the main methods of vacancy processing described in detail above in the current chapter. Besides we incorporated in the table the indicator of the market penetration to see if it is possible to derive any correlations.

The interesting aspect to be stressed is that the countries with a relatively high market penetration (France, Great Britain, Spain) do not use the open method for matching as the prevailing one. In those countries mostly half-open procedures are dominant. It could mean that the half-open (or even the closed) method appeals more to the needs of employers than an open method primarily based on a self-service concept. The causality of the relation could however also be the other way around: maybe the PESs with a low or medium market penetration have decided to introduce the open system to strengthen their position on the labour market. Furthermore, it is possible that those PESs are relatively well staffed and therefore can invest more in the services towards employers. But this is not very likely as we found in chapter 3 that the staff-size of the Spanish PES is relatively small and the staff-size of the French PES was somewhere in the middle.

Furthermore, the three PESs with a high market penetration also do not use automatic cancellation procedures. This is probably closely related to the fact that the open method is not predominant in these countries.

There are no clear relations between PES market penetration and the other characteristics of the vacancy processing included in the table. A reason for this may be that the differences between PESs in the way they process vacancies seem to be not so large and clear-cut as the differences between PESs in the way vacancies are obtained.

Table 6.4 Market penetration and ways vacancies are processed (visited EU countries)

PES of	Market penetration	Who does the intake?	Open method of matching dominant?	The selection of candidates for vacancies	The way jobseekers are referred	Follow up of referrals	Automatic closure of vacancies
Belgium-Brussels	Medium	A counsellor of the ORBEM office does the intake Staff of so-called "partners" can directly enter vacancies in the database of ORBEM	No	Selection in the database and of jobseekers that show their interest Selection in database on the same day the vacancy is taken in	Referral interview/talk with a counsellor By telephone when vacancy is found on the website	The counsellor has a contact with employer once a week Jobseekers are not contacted	No automatic closing of vacancy
Belgium-Flanders	Medium	A vacancy counsellor of the local office does the intake	Yes	Selection in the database and of jobseekers that show their interest Selection in database 1 to 3 days after the intake	Via telephone call By letter Referral interview with a counsellor	The counsellor keeps contact with employer (letter, e-mail, telephone) – after 14 days from notification of vacancy, afterwards once in two weeks Jobseekers are not contacted	Semi-automatic procedure, in which the employer is informed in advance that the vacancy will be removed from the database. The period after which this happened depends on the type of vacancy
France	High	A counsellor of the Jobcentre does the intake	No	Selection in the database and of jobseekers that show their interest	Via telephone call (sometimes automatic telephone call) By letter	Employer is contacted after about 10 days (no fixed frequency for contact), but it depends on the type of vacancy Jobseekers are not contacted	No automatic closing of vacancy
Germany	Medium	Special registration officers in the Arbeitsamt are doing the intake. Or employer can call a special telephone number which connects him to local Arbeitsamt	Yes	Selection in the database on the same day the vacancy is registered	-	Officially employer is supposed to be contacted every 2-3 weeks after the referral and jobseeker has to report about the results In practice there is a contact with employer in the beginning and in the end of the procedure Jobseekers are asked on the occasion of the regular talk in PES	No automatic closing of vacancy
Great Britain	High	Only Call Centres are doing the intake (including vacancies that are notified to the WS) and then refer the vacancy to the local Jobcentre	No	Selection in the database and of jobseekers that show their interest	Mostly at regular interview that every benefit-receiver has in the PES By telephone	A Vacancy Service Manager has contact with employer within 48 hours after the intake. After that periodical telephone contacts (according to the agreement with employer)	Before October 2003 was no automatic cancellation, call centre had to contact employer Automatic cancellation (from October 2003) based on the vacancy closing date entered

PES of	Market penetration	Who does the intake?	Open method of matching dominant?	The selection of candidates for vacancies	The way jobseekers are referred	Follow up of referrals	Automatic closure of vacancies
						Jobseekers are asked on the occasion of the regular talk in PES (once in 2 weeks)	during the intake
Ireland	Medium	The National Call Centre is doing the intake. Vacancies entered through the WS have to be validated by NCC	Yes	Selection in the database and of jobseekers that show their interest	Personal talk with counsellor By letter	No systematic contact with employer	Vacancy is automatically closed at the expiration date mentioned during the intake Vacancy can be reactivated Manual closing can be done by NCC staff or local office
Netherlands	Low	Primarily the Advisor of the CWI does the intake	In principal it was, but trend is that PES is more in between again	Selection in the database and of jobseekers that show their interest Selection in database on the day of the intake of the vacancy or the day after (CWI Etten Leur)	Via telephone call By letter By e-mail	The frequency of the contact with employer depends on what was agreed on. Contact is made by e-mail or telephone (approximately once every 2 weeks) Unemployed with benefits are asked for the results during regular placement interviews	No automatic closing of vacancy
Spain	High	Employment officer at the labour office does the intake	No	Selection in the database (mainly) and of jobseekers that show their interest	Method depends on the agreement with employer: via telephone call or by letter; employer is informed beforehand about the referrals	No fixed system for the follow up, depends on the "Comunidad" (Some practices are described in the text)	No automatic cancellation of vacancies
Sweden	Medium	The counsellors of the labour offices do the intake (except for the vacancies that are entered on the WS)	Yes	Routine is to match registered jobseekers with incoming vacancies	Method depends on the agreement with employer	There are no standard rules for the contact with employer, depends on the agreement with employer In practice PES contacts the employer when application time is over For jobseekers job-suggesting letters are used and telephone contact	A date of ending of the vacancy is agreed with employer. PES counsellor is responsible for updating the database

Source: SEOR questionnaire.

## 6.7 SUMMARY AND CONCLUSIONS

### *Employers asking active assistance and services offered by the PES*

In almost all countries the majority of the employers that notify vacancies to the PES want active assistance from the PES in filling the vacancies. Flanders is an exception, because of the high numbers of vacancies obtained by the Jobmanager. These vacancies are only distributed via the PES-channels. The results suggest that most employers that are client of PESs do not (only) want an open system that is completely based on self-service.

The services offered to employers that notified a vacancy differ from country to country but in most cases the vacancy is distributed via the PES-channels and some kind of selection is performed. Next to that some PESs offer training instruments, for example ORBEM in Brussels, INEM in Spain (both pre-contract training and during the contract) and AMS in Sweden. ANPE in France can offer a special selection with assessment and it is also possible that an employer tries a candidate during 40 hours without starting a contract. In Ireland the services offered depend on the region. Some regions don't do a thing with the vacancies notified to the NCC, except publishing them in the offices. In other regions still contact with employers exists and selections are made for them. The AMS in Sweden does not offer screening services (pre-selection of candidates) to the employers, because this is not a priority and because the employer can buy this service elsewhere.

### *The intake of vacancies*

In seven of the nine PESs visited the intake of vacancies, as far as the vacancies are not directly entered on the website, is done by staff on local offices. Sometimes these are staff-members of a unit that especially provides services to employers (Flanders, Germany). In other cases, such as in Spain and the Netherlands, the staff that is doing the vacancy intake also performs tasks for unemployed.

The two other PESs, those of Great Britain and Ireland, have call centres for the intake of vacancies. In Great Britain the call centres also collect (in a later stage) information about job entries on the vacancies. In Ireland vacancies entered on the website must be validated by the NCC.

Most countries have some kind of form for employers to notify vacancies.

Interesting to mention here is the practice in Brussels: staff of so-called partners of ORBEM can directly enter vacancies in the database of ORBEM, this staff is trained to use the ORBEM information systems. The plans are to expand the number of partners on the local labour market, also with private staff leasing enterprises.

The kind of information about the vacancy registered during the intake differs from country to country, but we think the differences are relatively small. In Spain the information that is registered seems to be very detailed. Sweden is using a different format for the registration of vacancies in the database. Core of the information is a text for the publication of the vacancy that is given by the employer: a space of 3.600 signs is available for that.

In most countries it is said that the intake of a vacancy takes around 10 minutes on average, but the variation may be large depending on the employer and the complexity of the vacancy. In Ireland and Great Britain an average intake by a call centre will cost around 10 minutes including the entering of the vacancy in the system. In some other cases (Flanders) the mentioned average of 10 minutes is without the data entry. Especially in Spain the vacancy intake seems to cost some more time than in the other countries, probably also because of its format that differs from what is used by other PESs.

It is a normal practice that during the intake PES-staff is assisting employers to clarify job requirements. In a number of countries the PES during the intake gives also advice about the prospects to find candidates. In France and Germany this is supported by the computer system. In France the information about the number of possible suitable candidates is given automatically by the system. In the Netherlands such information is given on the basis of a list of the occupations for which the largest numbers of jobseekers are available.

Most PESs during or after the vacancy intake make arrangements with the employer about: the way the vacancy will be distributed via the PES-channels, the method of matching (open, half-open or closed), the contacts between PES and employer during the processing of the vacancy, the way in which candidates have to apply, and so on. In Flanders it is noticed that many employers want (also) some kind of selection by the VDAB.

Good practices in relation to the intake of vacancies are brought forward by a couple of PESs. The VDAB in Flanders mentions that the information about the vacancy is complete and laconic; also the combination of the Jobmanager and assistance by the VDAB is mentioned as a strong feature. FAS in Ireland mentions the national call centre: up-to-date technology is used, it is a business like approach and procedures are available in an easy accessible way. Spain mentions the personal attention to the employer. This enables the Employment Officers to provide advice and information during the intake, but at the same time it is said that the disadvantage is that such an approach is time-consuming.

### ***The process after the intake***

Jobseekers in the majority of cases can obtain information about vacancies captured by the PES in many different ways. Most common are: by asking PES-counsellors, self-service terminals in labour offices, PES-website and presentations in labour offices. On the basis of information obtained during the visits, we conclude that the Internet and self-service terminals are the tools that are most frequently used by jobseekers to search for vacancies.

Vacancies can be matched to jobseekers in different ways. In most country the open method (jobseekers can contact the employer directly) was mainly used in 2002. This is especially true for Flanders, Finland, Ireland, Italy, Norway and Sweden. Some PESs, those of Great Britain, Portugal, Luxembourg, Brussels and Spain, still mainly use the half-open or closed method. Brussels is the only PES visited where the standard procedure is to have a personal interview with the jobseeker before (s)he is referred to the employer, sometimes this is done by phone.

Selections of jobseekers, if made, are mostly performed by a search in the database. Next to that, two of every three PESs make also a selection out of the jobseekers that show their interest in a vacancy. Most selections have to be made manually. The VDAB is experimenting with an automatic matching system. In some countries there are certain rules concerning the moment when the first selection should be performed (the same day as the vacancy intake, the day after, within three days).

In most visited countries jobseekers are referred in different ways (letter, telephone, e-mail, personal interview) to the employer with the vacancy. In all countries, except Spain, the employers are not informed in advance which jobseekers are referred to them. In Sweden no standard procedures exist: the method(s) of referral and whether the employer is informed in advance about the referrals is settled in an agreement with the employer. ORBEM in Brussels has a unique method: most of the referrals are via a personal interview. In Flanders group information meetings are held in co-operation with employers, mainly for very specific vacancies and vacancies for which large numbers of candidates are searched. In France referrals can also be made by a telephone automate which can even give a message to an answering machine. In the Netherlands and Great Britain referrals are also made in the interviews that are held with jobseekers with a benefit in a fixed frequency.

The majority of PESs are following up the results of the referrals by contacting both the employer and the referred jobseekers. A smaller number of PESs is only contacting the employer. Twelve of the nineteen EU/EEA PESs regularly check whether vacancies are still unfilled, but only a small number of PESs mention precise time intervals in this respect. Vacancies entered on a website are mostly closed automatically after a certain period of time or after the expiration date. Sometimes these vacancies must be closed by the employer.

Some PESs offer special services if a vacancy is still unfilled after a certain period of time. In Belgium and Spain possibilities in the field of training are mentioned. In other countries like France, Germany and Sweden it is possible to widen the geographical area for the search. It is also possible to renegotiate the requirements for the vacancy.

(Semi-) automatic closing of vacancies does happen with nine of the nineteen EU/EEA PESs that answered the questionnaire. The closing happens sometimes after a certain default time-period after the intake, sometimes on the expiration date of the vacancy.

### ***Relations between characteristics of vacancy processing and the PES market penetration***

The visited PESs with a relatively high market penetration (France, Great Britain, Spain) do not use the open method for matching as the prevailing one. This could mean several things:

- that the half-open method appeals more to the needs of employers than an open self-service method;
- that the PESs with a low or medium market penetration have, maybe recently, decided to introduce the open system to strengthen their role in the processing of vacancies;
- that these PESs are relatively well staffed and therefore can invest relatively more in the services towards employers than other PESs. This is however not very likely given the results in chapter 3.

The three mentioned PESs also do not use automatic cancellation procedures for vacancies in the registration. There are no clear relations between PES market penetration and the other characteristics of the procedures and activities of PESs in the processing of vacancies. The differences between PESs in the way they process vacancies are not so clear-cut as the differences in the way they obtain vacancies.



## **7 DYNAMICS IN VACANCY NOTIFICATION OVER THE PAST DECADE AND CAUSAL FACTORS**

### **7.1 EU/EEA-COUNTRIES**

Almost all PESs have been able to provide us with a time series of the number of captured vacancies by the PES. A large number of PESs have been able to provide time series for the whole period 1993 – 2002; other provided data for some years. The figures are lacking for Italy and the Netherlands. See table 7.1.

For most countries the number of captured vacancies shows a growing tendency between 1993 and 2000. It applies to Brussels, Flanders, Denmark, Finland, Ireland, France, Germany, Luxembourg, Norway, Portugal, Spain and Sweden.

In Ireland over the last years we observe a growth in the number of vacancies registered with the PES due to the growth in the Irish economy since 1993. Ireland has enjoyed unprecedented levels of job creation over the past 10 year which has just begun to stagnate. The increase in the registration of vacancies with the PES has been supported by the use of self service Information Technology tools such as internet and through the creation of the National Vacancy Taking Call Centre. Employers wishing to apply to the Department of Enterprise Trade and Employment for a Work Permit are obliged to register their vacancies with the PES to demonstrate an effort to source EEA labour since 2002. Almost 50 percent of vacancies registered in 2002 were flagged for Work Permit purposes, and this also explains the strong increase of the number of captured vacancies in 2002.

After 2000 in many countries the number of captured vacancies decreased (in Switzerland this happened already in the year 1999). This shows us that the business cycle certainly has an effect on the number of captured vacancies, because in most countries economic growth slowed down after 2000. In Flanders, Denmark, Finland and Ireland the number of captured vacancies even increased in 2001 and/or 2002. The reason for the increase in Ireland in 2002 is given above. In Flanders the ongoing growth of the number of captured vacancies is caused by the introduction of the Jobmanager tool in 2000. Also in Denmark the introduction of a vacancy website has contributed to the ongoing growth in the number of captured vacancies. In Finland the economic growth was relatively strong until 2001. During latest years the economy has some decline, but it has not significantly affected the number of captured vacancies.

*Table 7.1 Total number of vacancies captured by the PESs during the last decade, inflow in 000s (EU/EEA-countries)*

Country	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Austria	248,3	256,0	228,2	222,6	222,9	254,3	299,2	312,2	273,2	276,1
Belgium – Brussels	11,4	13,3	12,8	14,2	14,2	16,2	15,8	17,6	14,7	11,3
Belgium – Flanders	80,5	96,8	92,1	106,6	120,4	146,8	175,9	216,1	213,9	225,1
Belgium – Wallonia	34,7	43,6	40,8	53,6	45,0	50,8	54,4	53,2	51,2	57,4
Denmark	157	204	211	195	197	220	227	229	251	253
Finland	114	154	170	193	242	255	265	302	319	328
France	1.216	1.647	2.059	2.327	2.574	2.785	3.031	3.232	3.108	3.031
Germany	2.807,3	3.133,2	3.208,9	3.277,9	3.275,1	3.834,3	4.043,4	4.103,4	3.730,2	2.772,9
Great Britain	1.686,1	2.417,6	2.607,6	2.622,8	2.715,8	2.585,3	2.738,8	2.652,6	Not available	3.096
Iceland				Not available					6,5	2,6
Ireland		Not available		42,0	53,1	67,3	69,8	76,0	68,0	96,2
Italy					Not available					
Luxembourg	Not available		9,6	12,6	15,6	18,5	19,5	19,4	16,0	13,6
Netherlands					Not available					170,0
Norway	Not available		276,4	311,9	390,8	472,5	507,6	592,5	405,5	301,2
Portugal	50,9	58,8	75,9	77,7	96,6	110,3	125,4	129,7	109,8	105,2
Spain	394,2	534,3	952,7	1.546,1	1.555,9	1.854,5	2.790,9	2.648,7	2.691,0	2.632,8
Sweden	281,3	352,6	350,1	281,8	323,8	415,1	468,4	522,5	474,5	474,4
Switzerland	38,2	43,2	43,7	51,6	116,2	148,7	142,5	118,0	103,0	86,8

*Austria:* excluding vacancies entered on the E-job room.

*Great Britain:* excluding vacancies for less than 8 hours work per week. Figure for 1993 concerns the period April 1993 – March 1994. Figure for 2002 concerns the period June 2002 – May 2003.

*Great Britain:* the figure of 3.096 in the last column gives the number of captured vacancies in the period June 2002–May 2003.

*Denmark and Norway:* including vacancies captured from newspapers and other databases.

*Source:* SEOR questionnaire.

The PESs have been asked to give the reasons for the decline or growth, or the fluctuations in the number of captured vacancies. Nearly all PESs answered that the business cycle has an influence on the number of vacancies captured by the PES (see table 7.2). In the evaluation of the Employment Service Act 1990 – 1994 in the Netherlands it appeared that the number of vacancies notified to the PES followed the developments in the total market of vacancies, with only limited year-to-year changes in the market share of the PES<sup>15</sup>. Only Germany and

<sup>15</sup> J. de Koning, P.A. Donker van Heel, A. Gelderblom, P.J. van Nes en C.Th. Zandvliet, *Arbeidsvoorziening in perspectief. Evaluatie Arbeidsvoorzieningswet 1991 – 1994. Deelonderzoek B: Resultaten en kosten*, NEI, Rotterdam, maart 1995.

Switzerland did not give this answer. Germany stresses the introduction of new service strategies towards employers while Switzerland is answering that changes in the relative size of the PES-staff have had their influence.

The development of PES-websites, changes in PES-policy and procedures and new service strategies towards employers are also relatively often mentioned as reasons for the developments in the number of captured vacancies. This mainly concerns the PESs in Austria, Brussels, Flanders, Great Britain, Ireland, Norway and Spain. VDAB mentions the development of on-line services to employers that improved transparency of the labour market and led to a growth of captured vacancies. In Austria the improvement of the E-job room has reduced the number of notified vacancies to the PES-staff and also has had a negative effect on the number of vacancies in the statistics because the vacancies entered on the website are not included in these statistics. In Wallonia the arrangements with the private staff-leasing enterprises have increased the number of notified vacancies and Great Britain mentions the introduction of the National Marketing Strategy.

*Table 7.2 Reasons for developments (increase, decrease, fluctuations) in the number of captured vacancies by the PES*

Reasons	Number of PESs (maximum 17)	Countries
Changes in demand and supply over the various phases in the business cycle	15	
Development of PES vacancy websites	8	Austria, Brussels, Flanders, Denmark, Iceland, Ireland, Norway, Sweden
Changes in relative size PES-staff	3	Brussels, Iceland, Switzerland
Changes in PES-policy and procedures	10	Austria, Brussels, Flanders, France, Great Britain, Iceland, Ireland, Luxembourg, Norway, Spain
Changes in laws/rules	4	Iceland, Ireland (work permit regulation), Norway, Spain
Started/stopped capturing of vacancies from newspapers	1	Norway
Started/stopped capturing of vacancies from other databases	1	Brussels
Expansion of private employment services	6	Austria, Wallonia, Ireland, Great Britain, Luxembourg, Portugal
New service strategies towards employers	9	Austria, Brussels, Flanders, Wallonia, France, Germany, Great Britain, Iceland, Spain
Other factors	2 (advertising and promotion)	

*Two countries did not answer this question.*

Source: SEOR questionnaire

## 7.2 ACCESSION COUNTRIES

In some accession countries we also see a rising tendency in the number of captured vacancies by the PESs up till the year 2000. This is the case for Hungary, Latvia and Lithuania. In the other countries the picture is more mixed. In Cyprus, Estonia and Malta the numbers of notified vacancies have been growing the last few years (after 1999). In Poland the numbers are decreasing since 1997 and in Slovak Republic there was a strong decline between 1997 and 1999, but since then the numbers of notified vacancies have been growing very rapidly again.

*Table 7.3 Total number of vacancies captured by the PESs during the last decade, inflow in 000s (accession countries)*

Country	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Cyprus	16,5	16,3	15,6	13,7	14,5	13,2	12,1	13,8	19,8	19,7
Czech Rep.	Only stock data are available									
Estonia	Not available		10,8	14,7	13,6	14,5	12,7	14,9	15,0	16,1
Hungary	324	340	354	413	396	440	437	470	439	439
Latvia	Not available		24,7	32,9	43,6	44,5	52,0	50,4	48,5	
Lithuania	Not available			75,9	88,2	84,9	107,5	134,6	132,8	
Malta	4,3	6,2	7,4	6,2	5,0	4,6	4,9	7,2	7,0	7,3
Poland	527,9	804,0	914,2	878,9	915,8	761,1	680,7	607,7	465,7	555,6
Slovak Rep.	Not available		124,1	159	123,1	91,6	165	181,6	225,9	
Slovenia	108,8	150,9	155,2	157,2	133,8	142,6	148,5	154,9	143,1	139,0

*Source: SEOR questionnaire.*

All eight PESs that answered the question about the reasons for the fluctuations in the number of notified vacancies have the opinion that the business cycle is an important influencing factor. Also here we see that changes in PES policies and procedures and new service strategies towards employers are stressed as the second important influence. Contrary to the PESs of EU/EEA-countries, and not surprising, half of the PESs in the accession countries say that also changes in the size of the PES staff have had their influence on the development of the number of notified vacancies.

*Table 7.4 Reasons for developments (increase, decrease, fluctuations) in the number of captured vacancies by the PES (accession countries)*

Reasons	Number of PESs (maximum 8)	Countries
Changes in demand and supply over the various phases in the business cycle	8	Cyprus, Czech Republic, Estonia, Hungary, Lithuania, Slovakia, Slovenia
Development of PES vacancy websites	1	Latvia
Changes in relative size PES-staff	4	Cyprus, Latvia, Lithuania, Poland
Changes in PES-policy and procedures	5	Cyprus, Latvia, Lithuania, Poland, Slovakia
Changes in laws/rules	2	Estonia, Slovakia
Started/stopped capturing of vacancies from newspapers	0	
Started/stopped capturing of vacancies from other databases	0	
Expansion of private employment services	1	Poland
New service strategies towards employers	3	Latvia, Lithuania, Slovakia
Other factors	2	Cyprus: Employment of foreign workers Malta: Introduction of private employment agencies in 1996

*Two countries did not answer this question.*

*Source: SEOR questionnaire.*

PESs were also asked to give detailed explanation of the observed fluctuations. They provided the following detailed information on the most important influencing factors:

**Cyprus:** (1) In 2000 a computerised system was introduced for registering vacancies and unemployment, as well as matching candidates to the posted vacancies. (2) The increase in job vacancies during the years 2001 and 2002 was caused by a change in the procedure of issuing permits for the employment of foreign labour. Specifically, all employers are now required to notify their vacancies to PES in order to exhaust all possibilities in employing local personnel (note: like in Ireland). This procedure resulted not only in capturing an increased number of vacancies but also in significant increase of the volume of work, causing delays in processing / removal of vacancies, thus vacancies being outstanding for longer time. Moreover, a number of employers in order to exert pressure for the employment of foreign workers exaggerated their needs and they were noticing more vacancies than their actual needs. (3) The fluctuations during 1994-1999 are due to fluctuations in the economic growth.

**Czech Republic:** Restructuralisation, privatisation, increasing of productivity.

**Hungary:** Condition of the economy, pace of economic growth, tendency of the labour demand.

**Latvia:** (1) The size of State Employment Service staff increased from 147 officer positions in 1992 to 674 officer positions in 1993 because of steadily increasing unemployment rate. In 1994 and in 1999 the changes in the number of State Employment Service employees were connected with the changes in State Employment Service status and with the State Employment Service employees' conformability to the Law on Civil Servants. (2) There were changes in the legislation concerning the notification of the vacancies to the State Employment Service. On the 23<sup>rd</sup> December, 1991 the Law on Employment came into force. This law prescribed that the notification of vacancies to the State Employment Service is obligatory for employers. On the

1<sup>st</sup> July 2002 the Law on Support for Unemployed Persons and Persons Seeking Employment replaced the Law on Employment. The Law on Support for Unemployed Persons and Persons Seeking Employment does not provide for obligatory notification of vacancies, the cooperation with employers and capturing of vacancies is the responsibility of State Employment Service. (3) The website of State Employment Service was developed in the first half of 2003 therefore it is difficult to tell about the influence on the number of registered vacancies. (4) There is set the target for the year 2003 in National Employment Plan “to improve the co-operation between State Employment Service and employers” with the indicator “number of vacancies that employers notify to the State Employment Service”. Therefore within work organisation method “Management by objectives” State Employment Service has set its own target for the year 2003 to get at least 2 vacancies from 1 employer per month on average. The influence of this factor will be analysed in the beginning of 2004.

**Lithuania:** (1) Restructuring of the economy. (2) Increase of investment in industry and services. (3) Subsidies for creation of new jobs. (4) During 2001-2003 for employers deliver subsidies for 12,0 million Lt (~ 42 mln. Euro) and establish 1,4 thousands new job vacancies in regions with highest unemployment rate. (5) Russian financial crisis in 1998-1999 and decrease of manufacturing, construction and service are main reason for decreasing of job vacancies. (6) Increase of GDP in 2001-2002, the economy and the service sector are main reason for increasing of job vacancies. (7) Increasing of job vacancies for occupation in construction and service.

**Slovakia:** Transformation and restructuring of the Slovak economy had a big impact on job creation. Low ability of citizens to buy did not stimulate more significant formation of trade licences and the proportion of foreign investments was much lower than in the neighbouring countries in the last couple of years. The contribution of small and medium businesses to job creation has been fluctuating and seasonally differential. The economic growth was not high enough to generate high number of effective long-term jobs.

**Slovenia:** The conditions for economic growth varied over time, the efforts to increase labour productivity (employment growth was lower than economic growth), the yearly number of vacancies is influenced by the share of vacancy for temporary employment (this share increased slowly but constantly during the nineties).

### 7.3 SUMMARY AND CONCLUSIONS

In most EU/EEA countries the number of captured vacancies by the PESs show a rising tendency between 1993 and 2000. After 2000 in many countries the number of captured vacancies decreased. This is related to the developments in the business cycle; after 2000 in most countries economic growth slowed down. However, in Denmark, Flanders, Ireland and Finland the number of captured vacancies increased in 2001 and/or 2002. In Ireland the new Work Permit procedure has caused this and in Flanders the introduction of the Jobmanager has been the reason for the ongoing growth. In the accession countries the developments are somewhat more differentiated.

PESs think that the business cycle, changes in PES-policies and procedures, new service strategies towards employers and the development of PES vacancy-websites are the most important influencing factors for the number of notified vacancies. In the accession countries also changes in the relative size of PES-staff is mentioned rather often as an important influencing factor.

## **8 SUMMARY AND CONCLUSIONS**

This study into the role of national PESs has been carried out by SEOR in Rotterdam in commission of the Directorate General of Employment and Social Affairs. It has been carried out in the period January - October 2003. This chapter that starts with a short overview of the objectives of the study and the used methods, summarises the main results and conclusions of the study.

### **8.1 BACKGROUND, OBJECTIVES AND METHODS**

The study was issued in the framework of the European PES Vacancy Monitor (EPVM) that should improve the comparative transnational monitoring of developments in labour demand and should contribute to the identification and diagnosis of market segments suffering from recruitment difficulties. The EPVM will furthermore allow a better comparative picture of the vacancy flows that are channelled through national PESs. On the basis of the information in the EPVM, international exchange of good practices can be started that may help PESs to strengthen their market position, to improve their contribution to the vacancy filling in the market and to reduce specific recruitment difficulties. It however proved difficult to compare the vacancy figures from different countries.

Therefore, there was a need for in-depth comparative understanding of vacancies notified to the PES and of PES methods in dealing with those vacancies. These are the two objectives of the study. The research questions fall apart in four categories:

1. Questions about the nature of captured vacancies across the various occupational groups.
2. Questions about how PESs capture vacancies.
3. Questions about how PESs process the vacancies.
4. Questions relating to the dynamics in vacancy notification during the last decade.

The study has been conducted in regular contact with the PES Expert Group that develops the EPVM. Next to a study of relevant literature and of the material already collected for the EPVM, the study consisted of four main methods:

1. The collection of relevant information from PESs in the EU/EEA through a questionnaire. The questionnaire covered almost all research questions and was aimed at obtaining broad comparative information. The response has been very high (95 percent) and the quality of the response has been good on average.
2. Visits to eight countries (nine PESs: in Belgium ORBEM in Brussels and VDAB in Flanders were visited). The main aim of the visits was to collect additional detailed and qualitative information about strategies, policies and activities used by PESs to obtain and process job vacancies.
3. Collection of information from the ten PESs in the ten countries that will enter the EU next year through the questionnaire that was also used in the first phase for the PESs in the EU/EEA. All ten PESs answered the questionnaire.
4. Analysis and reporting.

## 8.2 NUMBER OF CAPTURED VACANCIES AND MARKET PENETRATION

In the year 2002 the nineteen PESs that answered the questionnaire altogether obtained almost 14 million vacancies. The majority of PESs still obtain most of the vacancies by direct notification through employers, either to PES-staff, on the PES-website or to a PES Call Centre. Only the PESs of Norway and Denmark obtain a substantial number of vacancies from other sources, Norway from personnel advertisements and Denmark from newspapers and other databases. The PES in Austria has a website on which employers can enter their vacancies. These vacancies however are not included in the statistics. These specific features should be taken into account when comparing the data in the EPVM. All the PESs in the ten accession countries still capture (almost) all of the vacancies through the direct notification of vacancies.

The Commission Communication on “Modernising Public Employment Services to support the European Employment Strategy” calls upon PESs to strive for a substantial access to vacancies. Furthermore, the Joint Mission Statement of PESs in EU/EEA states that the PESs need to be centrally placed in the market dealing with a wide range of vacancies and obtaining a *sufficient* share in vacancy filling. In order to get an idea about the importance of the role of the PESs in processing job vacancies information is needed about the size of the total market of vacancies. It however proved to be difficult to obtain such information from the PESs. Therefore, a ranking order for PES market penetration was constructed by relating the number of captured vacancies by the PES to an indicator for total recruitment. The results are presented in table 8.1. The stability of this ranking order was tested by replacing the indicator for total recruitment with the volume of salaried employment (see the last column of the table).

Table 8.1 Ranking order (in categories) for PES market penetration (2002)

Position in ranking order for PES market penetration	PESs of:	Change in position when salaried employment is used as the denominator instead of the indicator for total recruitment to calculate 'market penetration'
At the top of the ranking order	France, Great Britain, Luxembourg, Norway and Spain	Luxembourg would not be at the top but in the middle. Reason: labour turnover is relatively low in Luxembourg.
In the middle	Just behind the top: Austria, Belgium, Germany and Sweden In the lower part of the middle category: Denmark, Finland and Ireland	Finland and Sweden would be at the top of the ranking. Reason: labour turnover is relatively high in these countries.
At the bottom of the ranking order	Iceland, the Netherlands, Portugal and Switzerland	

Source: SEOR questionnaire.

Of the PESs in the accession countries those of Hungary, Lithuania, Slovak Republic and Slovenia have a relatively high market penetration. Latvia and Estonia are at the bottom of the ranking of PES market penetration for the accession countries.

For several reasons, in this study only the number of captured vacancies and primarily market penetration are used as indicators for the role of the PES in processing vacancies. One reason is that the EPVM at the moment contains information about the number of captured vacancies

(inflow per quarter) and the number of unfilled vacancies (at the end of the quarter)<sup>16</sup>, and not about vacancy fillings by the PES. A second reason is that comparing PESs regarding the number of filled vacancies or their market share is even more difficult than comparing them in respect of their market penetration. There are rather large differences in definitions used for vacancy fillings or placements by the PES. Furthermore, and even more important, some PESs don't collect information about their vacancy fillings anymore (because they shifted to the logic of diffusion of vacancies, because they think it is a 'theoretical question' whether or not a vacancy is filled by the PES or because they more and more use open matching systems in which it is very difficult to establish whether the vacancy was filled by the PES).

The notified vacancies to most PESs are strongly concentrated in two occupational groups: elementary occupations, and services and sales workers. The differences between the occupational structure of the notified vacancies and the occupational structure of salaried employment are relatively small in Belgium and very large in Denmark.

### **8.3 GENERAL CONTEXT FOR PES ACTIVITIES**

PESs operate in a certain institutional setting and within the situation on, and the structure of the national labour markets. In the study we collected some information about these matters to sketch the general context for PES activities.

Approximately 60 percent of the PESs of EU/EEA countries have reported that they are an independent public organisation. The others are part of a ministry. In the accession countries the picture is similar: half of the PESs are independent public organisations and the other half is part of a ministry. The complexity and diversity of the PES organisations however cannot be expressed in only one simple indicator.

Since 1990, the majority of PESs in the EU/EEA went through significant changes in position and structure. Exceptions are the PESs of France, Portugal and Luxemburg that report no significant changes. The reported changes by the PESs seem to be relatively small in the case of Brussels, Wallonia, Finland, Norway, Spain and Sweden. The majority of PESs in the accession countries were established in the nineties and went through a lot of reforms, the PESs of Cyprus and Malta being the logical exceptions.

When looking at the main overall objectives of the PESs, the conclusion is that many PESs have rather general and broad objectives that are formulated in many different ways. The following four types of objectives are mentioned most often:

- To help jobseekers to ultimately find the (best possible) job.
- To help employers to find the most suitable staff.
- To promote the good functioning/regulation of the labour market.
- To support disadvantaged groups, prevent/reduce long-term unemployed, and so on.

For a number of PESs the objectives primarily tend to stress the efficient working of the labour market. The objectives of some (other) PESs, like those of Finland, France, Great Britain and Sweden, also explicitly stress the importance to take action for disadvantaged people.

As far as objectives changed during the last decade, two tendencies are leading. In the first place some PESs emphasise the move from an organisation being mainly focused on unemployed

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<sup>16</sup> The number of unfilled vacancies is mainly used for calculating so-called left-over proportions of vacancies per occupational group in order to get indications for possible recruitment difficulties.

towards a service-oriented organisation focused on both market sides. Secondly, a (smaller) number of PESs report a greater emphasis on policies and measures to activate jobseekers.

The main objectives of the PESs in the accession countries are quite similar to the objectives in the EU member states – contribute to smooth operation of the labour market; provide employment services to jobseekers and employers; assist most disadvantaged groups, etcetera. These PESs more often mention the provision of training services to clients and vocational guidance as an objective than the EU/EEA-PESs do.

In theory the main overall objectives should give direction to the activities of PESs in many respects, which of course also applies to the processing of vacancies. Given the main objectives still several choices however are possible in this respect, but if the PES-objectives tend to stress the efficiency of the labour market the choices should be somewhat different than when (also) equity objectives are included in the set of objectives. In the latter case it is more likely that the PES chooses to be still in between (employers and jobseekers) to improve the chances of people from target groups.

We also asked PESs for what purposes they are engaged in obtaining and processing job vacancies. The conclusion is that most PESs in this respect mention both efficiency (increasing transparency, filling vacancies better and quicker) and equity purposes (input for job brokerage for unemployed and disadvantaged groups in particular). A number of PESs however take a very specific position. Both the Finnish and the Spanish PES give a clear priority to efficiency purposes. ORBEM in Brussels is very much oriented on job brokerage activities for the Brussels inhabitants in general. The Swedish PES combines efficiency purposes (transparency and a better and quicker filling of vacancies) with the most pronounced equity purpose (job brokerage activities for disadvantaged groups). The Swiss PES also combines efficiency and equity purposes, but not the most extreme ones at both sides of the spectrum. In the accession countries four PESs tend to emphasise efficiency purposes and five others combine efficiency and equity purposes.

For some PESs exist differences between the main overall objectives and the purposes for being involved in the processing of vacancies. The PESs of Austria, Flanders, Wallonia, Iceland, Luxembourg, the Netherlands, Norway and Portugal report that they also capture and process vacancies as an input for job brokerage activities for disadvantaged groups, but it seems that the support of disadvantaged groups (such as long-term unemployed) is not explicitly included in their set of main overall objectives. For some of these PESs however the support to disadvantaged groups may be implicitly included in the main overall objective to promote the good functioning of the labour market.

A next conclusion is that the involvement of PESs in obtaining and processing vacancies seems not to be based on, and embedded in very specific policies that lead to clearly different profiles of PESs. As we already noticed, only a couple PESs take very specific positions in this respect while most PESs report that they obtain and process vacancies for a broad range of purposes. This is an important reason to carry out comparative analysis of vacancy processing at European level: it may help PESs to improve the coherence and articulation of their policies in this respect.

Although it is difficult to make good comparisons for several reasons, it seems that some PESs (those of Belgium, Germany, Great Britain and Sweden) are better staffed than others. The PESs of Iceland, Ireland, Italy, the Netherlands, Spain and Switzerland seem to have a relatively small staff-size. For Spain and Switzerland for example this even includes the administration of unemployment benefits. There are also differences between PESs in the density of the network of PES-offices. The PESs of Denmark, Ireland, Luxembourg, the Netherlands and Portugal have a relatively low density of offices compared to other PESs.

The labour market structure and situation differ between countries. This holds for the structure of employment according to economic activity, the shares of temporary and part-time employment in total employment and the unemployment rate. The share of temporary workers for example is high in Portugal, Spain and France, as well as in Finland, Sweden and the Netherlands. Later on, we will see which relations exist between differences in labour market structure/situation and differences in PES market penetration.

#### **8.4 THE NATURE OF CAPTURED VACANCIES**

In many countries vacancies that offend relevant law (anti-discrimination, minimum wage, labour law, and so on) and vacancies related to the sex industry are not accepted by the PES. In only a few EU/EEA-countries employers are obliged to notify vacancies to the PES, namely in Belgium, Finland, Norway, Luxembourg and Sweden. Often certain employers or sectors of economic activity are exempted from this obligation. In Norway when an employer does not comply with the obligation, the PES is authorised to take the information about the vacancy from advertisements in newspapers and to distribute it through the PES-channels. In most accession countries an obligation does exist: in seven countries it is a general obligation and in two countries (Cyprus and Malta) the obligation only applies to (parts of) the public sector.

In several respects there are differences between PESs in the nature of captured vacancies.

Firstly, in Flanders, Denmark, Finland, France, Norway and Sweden the proportion of durable jobs in the total number of captured vacancies seems to be substantially lower than in other countries. In Flanders this has to do with the introduction of the Jobmanager on the VDAB-website. In some of the Scandinavian countries this is probably caused by the highly flexible labour markets in those countries. In many other countries the proportion of more durable jobs or the proportion for permanent contracts is in the range from 60 to 75 percent of all captured vacancies.

In Great Britain, France, Iceland, the Netherlands and probably also Ireland the proportion of vacancies for full-time jobs is relatively low, lower than 70 percent. In most other countries the proportion of full-time jobs is in the range from 75 to 90 percent. For the PESs of the accession countries that provided these figures, the share of vacancies for full-time jobs is higher than for most EU/EEA-PESs.

Especially the PESs of Brussels, Wallonia, Finland and France reported that the captured vacancies contain a substantial share of vacancies for fully subsidised jobs. However, in France it seems to concern mainly vacancies for regular jobs for which a partial wage cost subsidy is given when someone from a target group is placed. Of the PESs in the accession countries those of Hungary, Poland and Slovak Republic have high shares of subsidised jobs. In most other countries the share of vacancies for fully subsidised jobs is low (less than 5 percent) or even zero.

The PESs of Flanders and Ireland have high shares of vacancies from staff-leasing enterprises compared to other PESs. In Flanders this is the result of the introduction of the Jobmanager and in Ireland of the introduction of a new Work Permit procedure in 2002. Staff-leasing enterprises are often used for positions for which a Work Permit may be needed, and for obtaining a Work Permit the vacancies should have been notified to the PES. Almost half of the EU/EEA-PESs were not able to give (an estimation of) the share of vacancies from staff-leasing enterprises.

Statistics on vacancies may use the numbers of vacancies or the numbers of jobs/positions as reporting unit. All PESs in EU/EEA use the number of positions in their own statistics. So, in this respect there is no obstacle to compare the data included in the EPVM.

In other respects, there are some possibilities to increase the comparability of the data provided to EPVM:

1. To ask the PESs of Norway and Denmark to provide both data with and data without vacancies obtained from newspapers and other vacancy databases. The PESs of Denmark and Norway compared to other PESs obtain significant numbers of vacancies from other sources than direct notification of vacancies by employers.
2. To ask the PESs of Germany and Great Britain to include in the EPVM-data the vacancies for respectively less than 8 days and less than 8 hours per week. In Great Britain vacancy for jobs of less than 8 hours per week and in Germany vacancies for jobs for less than 8 days are not included in the *statistics*, but in both cases these vacancies are in the PES-database.
3. To exclude vacancies for fully subsidised jobs (additional jobs) from the data (or produce separate data for this type of vacancies). Most, but not all, PESs are able to identify vacancies for subsidised jobs in their database. The share of vacancies for fully subsidised jobs may be influenced by national regulations which stipulate that ‘vacancies’ in the framework of employment programmes have to be notified to the PES. Another reason to exclude vacancies for subsidised additional jobs from the data is the suspected counter-cyclical character of these vacancies.

Furthermore, for purposes of comparability it would be better that PESs produce separate data about the vacancies from staff-leasing enterprises for the EPVM, but the answers on our questionnaire indicate that for a substantial number of PESs it will be difficult to identify these vacancies.

An important question in this respect is whether it is always desirable to try to increase comparability of the data, especially if differences between PESs reflect labour market differences or differences in strategies and procedures between PESs. Some of the differences between PESs in the proportion of vacancies from staff-leasing enterprises may for example reflect differences in the actual share of these enterprises on the labour market. The specific features of the way the PESs of Denmark and Norway obtain their vacancies are a result of policy choices made by those PESs and also the high proportion of vacancies from staff-leasing enterprises of the VDAB in Flanders is the result of its policy.

## **8.5 THE WAY VACANCIES ARE CAPTURED**

So, the majority of PESs still obtain most vacancies by direct notification of vacancies by employers, mainly through notification of vacancies to the PES-staff and in some cases also through the PES-website. Especially in Flanders the share of vacancies entered on the website is comparatively high. Two PESs (those of Luxembourg and Spain) don’t have a website on which employers can enter their vacancies or give a signal that they want to notify a vacancy. Norway and Denmark have a national procedure to obtain (information about) vacancies from advertisements in newspapers. For the PESs in the ten accession countries direct notification to PES-staff is even more important than for the EU/EEA-PESs.

### ***Main aims for the take up of vacancies***

The main aims for the take up of vacancies differ between the PESs visited during the second phase of the study. Some PESs, such as JobcentrePlus in Great Britain, stress the importance to help disadvantaged groups. Also the aim of ORBEM in Brussels is based on equity arguments: the aim of ORBEM is to provide job possibilities to the local population, based on the view that a large number of people in Brussels have a weak position on the labour market. Other PESs are

more focused on efficiency purposes (Ireland, the Netherlands and Sweden). In Spain efficiency and equity purposes (this is somewhat different from the answers given in the questionnaire) are combined.

### ***Main lines of strategies and procedures to increase direct notification of vacancies***

In most countries marketing or promotion campaigns are used to stimulate employers to notify their vacancies to the PES.

Of the countries visited France seems to have a very systematic strategy and approach for the pro-active search of vacancies. In 2000 the Marketing Approach was introduced. Instruments are developed for the local offices to make a segmentation of their market of employers. Employers are roughly divided into five groups and services attached to these groups. Furthermore, Big Accounts and Strategic Professional Branches are distinguished with which framework agreements are made at national level that can be filled in locally. Another interesting initiative is the set up of the New Sales Force in Great Britain with account managers at three (national, regional and local) levels. Of the countries that were not visited, Austria and Portugal seem to have (planned) interesting strategies and procedures. In Austria a segmentation of the market (of employers) is made and resources assigned to groups of employers. In Portugal there are plans for a systematic programming of visits to employers. One is now waiting for the supporting IT-tool.

### ***Visits of employers and responsibility of systematic contact with employers***

Five of the nine visited PESs have a separate team/unit or have special officers that are responsible for the pro-active search for vacancies and for the systematic (pro-active) contact with employers. In Flanders these are the account managers of the employer-line of the VDAB. In Brussels ORBEM has a special team of 6 persons who are responsible for the pro-active contacts with employers. In Germany it is the 'Arbeitsgeber team' that exists in each office and in France there are account managers at central, regional and local level that visit employers according to the marketing approach. In Great Britain some months ago the New Sales Force, with account managers at three levels and Sector Relationship Managers at central level, has been set up.

The FAS in Ireland at the moment doesn't have a national structure or procedure for pro-active search for vacancies. In some regions there may however be activities in this respect. AMS in Sweden also does not have a national policy at this point. There are no functions especially oriented to employers. But regions can undertake their own activities as became clear during the visit. Also in the Netherlands there is no national structure; the so-called vacancy offensive is implemented and filled at local level. The choices made can differ between offices. In Spain pro-active visits are carried out, but ad hoc and hardly systematically due to a shortage of staff. INEM does also not have separate staff for the visits: all Employment Officers fulfil tasks for both sides of the market, job-seekers and employers.

The content of the (pro-active) visits of employers can cover several issues. Mostly the visits are not only aimed at obtaining vacancies. The needs and questions of the employer often are the starting point for the discussion. In most countries the employer does have a fixed contact person at the PES, sometimes only if the employer wants to have one.

In many countries we observe regional variations in implementation. This was already described above for the Netherlands, Ireland and Sweden. In these countries a national structure for pro-active visits of employers doesn't exist. But also in countries where such a structure formally exists, practices can differ between regions. Flanders and also Germany are examples in this respect.

### ***Website on which employers can enter their vacancies***

Most PESs have a website on which employers can directly enter their vacancies or can give a signal that they want to notify a vacancy to the PES (in a sense the website then is a substitute for a letter, an e-mail or a fax). The latter means that only some basic information about the company and the vacancy is filled in on the website by the employer. This causes a signal that goes to the office or officer that has to carry out the complete vacancy intake. Such a procedure is followed in Brussels (complete intake is done by staff of ORBEM), in Germany and Great Britain (Call Centres complete the intake). In Germany in May 2004 the 'Virtuelle Arbeitsmarkt' will be introduced and then employers can directly enter vacancies on the website and in Great Britain this possibility will be given to selected employers in the near future.

In Flanders, France, Ireland, the Netherlands and Sweden employers can directly enter their vacancies on the PES-website. In France, Ireland and Sweden the vacancies entered on the website have to be validated before they are distributed through the PES-channels (before the validation the vacancy is not 'active'). In the Netherlands the vacancies entered on the web are not validated. The website of VDAB in Flanders is seen as a big success because employers themselves can administer/manage their vacancies at this website. Especially staff-leasing enterprises use this website to enter and administer their vacancies.

It is clear that the role of the website in the work processes of the PESs should depend on the purposes of obtaining vacancies. If the main purposes of the PES are increasing transparency and providing as many as possible possibilities to job-seekers via an open system, then there should be the possibility for employers to enter the vacancy directly on the website. Then there should follow a validation of the vacancy by PES-staff before the vacancy is made public. But probably the counsellor has to be more 'in between' when the main purpose of obtaining vacancies is to help disadvantaged groups. The precise role of the website should also depend on the question whether and to which extent the PES wants to provide active assistance to employers.

### ***Call Centres***

In Great Britain and Ireland there are Call Centres for the intake of vacancies. In Ireland there is one National Vacancy Taking Call Centre (NCC) and in Great Britain there are 11 (connected) regional Call Centres. The opening hours of the NCC in Ireland are limited. In both cases the staff is especially trained for their tasks and also the used IT-tools are very supportive for the quality of the intake-interview. In other cases, such as in the Netherlands, the employer can contact the Call Centre to report that (s)he wants to notify a vacancy but after that a signal goes to the relevant office that has to complete the intake.

Ireland and Great Britain have rather positive experiences with the Call Centres. In Germany the experiences with experiments with Call Centres were not positive. The main obstacles were the professionalism of the staff and the fact that the intake by the Call Centre is only a superficial one because there has to be called again by a counsellor of the Labour Office. So, the employer is called twice: this costs a lot of time and is annoying for the employer.

The conclusion may be that a Call Centre is a good instrument/tool in a structure where self-service instruments are dominant (such as at the moment in Ireland). But if the PES wants to offer more intensive services (such as selection and screening) to the employer, it indeed seems that after the Call Centre has taken in a vacancy a second contact may be needed to make further arrangements with the employer about the services to be offered. However, it must be possible to develop a model or work process in which this is organised in an employer-friendly way.

### ***Scanning of personnel advertisements in newspapers***

In a number of countries (such as Germany, Great Britain, the Netherlands) counsellors at local offices scan advertisements in newspapers. Normally the objective is to find vacancies that are not already notified to the PES and to contact the employers to offer them the PES-services. Sometimes the employers is only contacted if the vacancy is suitable for the registered jobseekers.

### ***Strategies to increase the capturing from other sources***

Only a few of the visited PESs have strategies or procedures to increase the numbers of vacancies captured from other sources. None of the visited PESs, contrary to the PESs of Norway and Denmark, have nationwide procedures to obtain information about (large numbers of) vacancies from newspapers. The Netherlands started with such a procedure, but stopped it when publishers of newspapers complained and were threatening with claims.

Many PESs have some kind of agreement with staff-leasing enterprises, but only occasionally about the take up of vacancies of these enterprises in the PES-registers. In Flanders, Wallonia and the Netherlands such arrangements about the distribution and publication of vacancies of staff-leasing enterprises via the PES-channels do exist. In Great Britain (in the future) vacancies from staff-leasing enterprises may be included in the so-called Third Party Job Bank. Next to that staff-leasing enterprises can notify their vacancies to JobcentrePlus, under the condition that the Jobcentre is informed about the final employer.

Related to the take up of vacancies from other databases in Germany an experiment in Munich is going on in which with a searching engine websites of employers and employer organisation are scanned on vacancies.

AMS in Sweden in this respect is mainly focusing on an efficient information exchange between AMS, other authorities, private agencies, and so on. A tool is developed that will make it possible for all parties on the recruitment market to exchange information about vacancies and CV's in a very cost efficient way. It will not be necessary anymore to transfer or copy the data from a database to another database. The standardisation of vocabularies will also improve the transparency of the labour market.

### ***Good practices***

Regarding strategies and procedures to increase the numbers of vacancies obtained by the PES, only some countries reported good practices:

- The website of VDAB in Belgium is seen as a big success.
- In Great Britain the regional call centres are seen as a good practice, because the employer gets a very quick professional service.
- AMS in Sweden indicates that their approach of stimulating the self-working capacities of jobseekers and employers is a good practice in their view.

## **8.6 VACANCY PROCESSING BY PESs**

### ***Employers asking active assistance and services offered by the PES***

In almost all countries the majority of the employers that notify vacancies to the PES want active assistance from the PES in filling the vacancies. Flanders is an exception, because of the large proportion of vacancies obtained by the Jobmanager. These vacancies are only distributed

via the PES-channels. The results suggest that most employers that are client of PESs do not (only) want an open system that is completely based on self-service.

The services offered to employers that notify a vacancy differ from country to country but in most cases the vacancy is distributed via the PES-channels and some kind of selection is carried out. Next to that some PESs offer training instruments, for example ORBEM in Brussels, INEM in Spain (both pre-contract training and during the contract) and AMS in Sweden. ANPE in France can offer a special selection with assessment and it is also possible that an employer tries a candidate during 40 hours without starting a contract. In Ireland the services offered depend on the region. Some regions don't do anything with the vacancies notified to the NCC, except publishing them in the offices. In other regions contacts with employers still exist and selections are made for them. The AMS in Sweden does not offer screening services (pre-selection of candidates) to the employers, because this is not within the priorities of AMS and because the employer can buy this service elsewhere.

### *The intake of vacancies*

At seven of the nine PESs visited the intake of vacancies is done by staff on local offices, as far as the vacancies are not directly entered on the website. Sometimes these are staff-members of a unit that especially provides services to employers (Flanders, Germany). In other cases, such as in Spain and the Netherlands, the staff that is doing the vacancy intake also performs tasks for unemployed.

Two other PESs, those of Great Britain and Ireland, have call centres for the intake of vacancies. In Great Britain the call centres also collect (in a later stage) information about job entries on the vacancies. In Ireland vacancies entered on the website have to be validated by the NCC.

Most countries have some kind of form for employers to notify vacancies.

Interesting to mention here is the practice in Brussels: staff of so-called partners of ORBEM can directly enter vacancies in the database of ORBEM, this staff is trained to use the ORBEM information systems. The plans are to expand the number of partners on the local labour market, also with private staff leasing enterprises.

The kind of information about the vacancy registered during the intake differs from country to country, but the differences are relatively small. In Spain the information that is registered seems to be very detailed. Sweden is using a divergent format for the registration of vacancies in the database: core of the information is a text for the publication of the vacancy that is given by the employer (a space of 3.600 signs is available for that). In most countries it is said that the intake of a vacancy takes around 10 minutes on average, but the variation may be large depending on the employer and the complexity of the vacancy. In Ireland and Great Britain an average intake by a call centre will cost around 10 minutes including the entering of the vacancy in the system. In some other cases (Flanders) the mentioned average of 10 minutes is without the data entry. Especially in Spain the vacancy intake seems to cost somewhat more time than in the other countries, probably also because of its format that differs from what is used by other PESs.

It is a normal practice that during the intake PES-staff is assisting employers to clarify job requirements. In a number of countries PES[staff during the intake gives also advice about the prospects to find candidates. In France and Germany this is supported by the computer system. In France the information about the number of possible suitable candidates is given automatically by the system. In the Netherlands such information is given on the basis of a list of the occupations for which the largest numbers of jobseekers are available.

Most PESs during or after the vacancy intake make arrangements with the employer about: the way the vacancy will be distributed via the PES-channels, the method of matching (open, half-open or closed), the follow-up contacts between PES-staff and employer, the way in which candidates have to apply, and so on.

Good practices in relation to the intake of vacancies are brought forward by a couple of PESs. The VDAB in Flanders mentions that the information about the vacancy is complete and laconic; also the combination of the Jobmanager and assistance by the VDAB is mentioned as a strong feature. The FAS in Ireland mentions the national call centre: up-to-date technology is used, it is a business like approach and procedures are available in an easy accessible way. Spain mentions the personal attention to the employer. This enables the Employment Officers to provide advice and information to the employer during the intake, but at the same time it is said that the disadvantage is that such an approach is time-consuming.

### ***The process after the intake***

Jobseekers in the majority of cases can obtain information about vacancies captured by the PES in many different ways. Most common are: by asking PES-counsellors, self-service terminals in Labour Offices, PES-website and presentations in Labour Offices. On the basis of information obtained during the visits, we conclude that the Internet and self-service terminals are the tools that are most frequently used by jobseekers to search for vacancies.

Vacancies can be matched to jobseekers in different ways. In most country the open method (jobseekers can contact the employer directly) is mainly used at the moment. This is especially true for Flanders, Finland, Ireland, Italy, Norway and Sweden. Some PESs, those of Great Britain, Portugal, Luxembourg, Brussels and Spain, still mainly use the half-open or closed method.

Selections of jobseekers, if made, are mostly performed by a search in the database. Next to that, two of every three PESs make also a selection out of the jobseekers that show their interest in the vacancy. Most selections have to be made manually. The VDAB is experimenting with an automatic matching system. In some countries there are certain rules concerning the moment when the first selection should be performed (the same day as the vacancy intake, the day after, within three days, and so on).

In most visited countries jobseekers are referred in different ways (letter, telephone, e-mail, personal interview) to employers with vacancies. In all countries, except Spain, the employers are not informed in advance which job seekers are referred to them. In Sweden no standard procedures exist: the method(s) of referral and whether the employer is informed in advance about the referrals is settled in consultation with the employer. ORBEM in Brussels is the only visited PES where the standard procedure is to have a personal interview with the jobseeker before (s)he is referred to the employer, sometimes this is done by phone. In Flanders, group information meetings are held in co-operation with employers, mainly for very specific vacancies and vacancies for which large numbers of candidates are searched. In France referrals can also be made by a telephone automate which can even give a message to an answering machine. In the Netherlands and Great Britain referrals are also made in the interviews that are held in a fixed frequency with jobseekers with a benefit.

The majority of PESs are following the results of the referrals by contacting both the employer and the referred jobseekers. A smaller number of PESs is only contacting the employer. Twelve of the nineteen EU/EEA PESs regularly check whether vacancies are still unfilled, but only a small number of PESs use precise time intervals for that. Vacancies entered on a website are mostly closed automatically after a certain period of time or at the expiration date. Sometimes these vacancies have to be closed by the employers themselves.

Some PESs offer special services if a vacancy is still unfilled after a certain period of time. In Belgium and Spain possibilities in the field of training are mentioned. In other countries like France, Germany and Sweden it is possible to enlarge the geographical area for the search. It is also possible to renegotiate the requirements for the vacancy.

(Semi-) automatic closing of vacancies is used by nine of the nineteen PESs in the EU/EEA that answered the questionnaire. The closing happens sometimes after a certain default period of time after the intake, sometimes on the expiration date of the vacancy.

## **8.7 RELATIONSHIPS BETWEEN PES MARKET PENETRATION AND CHARACTERISTICS OF THE CONTEXT, THE NATURE OF CAPTURED VACANCIES AND PES-STRATEGIES, PROCEDURES AND ACTIVITIES USED TO OBTAIN AND PROCESS VACANCIES**

In the various chapters of the report we also presented the results of partial analysis in which the ranking order for PES market penetration was related to characteristics of:

- The general context for PES activities.
- The captured vacancies.
- The way PESs capture vacancies.
- The way PESs process vacancies.

Table 8.2 summarizes the most important results of the analysis.

Table 8.2 Observed relations between the ranking order for PES market penetration

Characteristic	Relation with ranking order for PES market penetration
<b>Institutional context:</b>	
Stability in position, structure and objectives	Stability in position, structure, role and main overall objectives of the PES seems to be positively correlated with the relative level of PES market penetration.
Size of PES-staff relative to volume of employment	There seems to be a positive, but not a perfect, correlation between PES market penetration and the relative size of the PES staff-size
Density of the network of PES-offices	The density of the network of PES-offices is positively related with the relative market penetration
<b>Labour market structure/situation</b>	
The share of part-time work	The share of part-time work on the labour market is negatively correlated with the relative PES market penetration: in general PES market penetration is lower when the share of part-time work is higher.
<b>Nature of captured vacancies</b>	
Share of vacancies for short term jobs	Generally, PESs with a high share of vacancies for short-term jobs have a higher market penetration
Share of vacancies for subsidized jobs	PESs with the highest market penetration generally have a low share of vacancies for fully subsidised jobs in the total number of captured vacancies.
<b>Characteristics of the way PESs obtain vacancies</b>	
National structure or procedure for pro-active contacts with employers	It seems that a national structure or procedure for pro-active contacts with employers is positively related with the PES market penetration
Fixed contact person for each employer at PES	When employers have a fixed contact person at the PES the PES-market penetration is generally higher.
<b>Characteristics of the way PESs obtain vacancies</b>	
Used method for matching vacancies and jobseekers	PESs that don't use primarily the open system on average have a relatively high market penetration

Some interesting relations have been observed, but we have to be very careful to draw definite conclusions because:

- only partial relationships were analysed;
- the data obtained through the questionnaire may be biased to some extent;
- it is very difficult to compare for example data about the size of the PES-staff between PESs;
- there is no certainty about the causality of the relations.

Keeping in mind this warning, we will now discuss some of the observed relations, because we think that the obtained results are a very good starting point for further discussions between PESs and further comparative studies.

It seems that stability in position, structure, role and main overall objectives of the PES is positively correlated with the relative level of PES market penetration. This could mean that changes in structure and organisation distract the attention from the primary task of the PESs. The causality may also be the other way around: the position, structure and objectives of some PESs may not have been changed because they perform rather well. The positive relation between PES market penetration on the one hand and the relative size of the PES-staff and the density of the network of PES-offices seems to be logical.

An interesting observation is that all four PESs at the bottom of the ranking order for market penetration have either a high or a medium proportion of durable jobs in the total number of captured vacancies. The PESs with a low share of vacancies for durable jobs are at the top or in the middle of the market penetration ranking order. It could be that the PESs at the bottom of the ranking order for market penetration are not sufficiently focused on the market of vacancies for temporary jobs. The observation that PESs with the highest market penetration generally have a low share of vacancies for fully subsidised jobs in the captured vacancies is difficult to interpret.

The results of our partial analysis point out that it seems that a national structure or procedure for pro-active contacts with employers and also employers having a fixed contact person at the PES are positively related to the level of market penetration. On the basis of the information gathered during the visits to the PESs in the second phase of the study we observe that three of the four visited PESs that have no national structure or procedure for a systematic (pro-active) contact with employers are in the middle (Ireland and Sweden) or at the bottom (the Netherlands) of the ranking order for PES market penetration. Moreover, in Ireland and the Netherlands there is no national policy for giving employers a fixed contact person at the PES. It also seems that especially the national structure for account management is a strong feature of the PESs of France and Great Britain.

The visited PESs with a relatively high market penetration (France, Great Britain, Spain) do not use the open method for matching as the prevailing one. This could mean several things:

- that the half-open method appeals more to the needs of employers than an open self-service method;
- that the PESs with a low or medium market penetration have (recently) decided to introduce the open system to strengthen their role in the processing of vacancies;
- that these PESs are relatively well staffed and therefore can invest relatively more in the services towards employers than other PESs. This is however not very likely given the differences in relative staff-size between the PESs of Great Britain, France and Spain.

The three mentioned PESs also do not use automatic cancellation procedures for vacancies in the registration. Finally, there are no clear relations between PES market penetration and the other characteristics of the procedures and activities of PESs in the processing of vacancies.

## **8.8 DYNAMICS IN VACANCY NOTIFICATION**

In most EU/EEA countries the number of captured vacancies by the PESs has grown between 1993 and 2000. After 2000, caused by developments in the business cycle, in many countries the number of captured vacancies decreased. After 2000 in most countries economic growth slowed down. However, in Denmark, Flanders, Ireland and Finland the number of captured vacancies increased in 2001 and/or 2002. In Ireland the new Work Permit procedure has been the reason for the ongoing growth and in Flanders the introduction of the Jobmanager. In the accession countries the developments are somewhat more varied.

PESs think that the business cycle, changes in PES-policies and procedures, new service strategies towards employers and the development of PES vacancy-websites are the most important influencing factors for the number of notified vacancies. The PESs in the accession countries also rather often mention changes in the relative size of PES-staff as an important influencing factor.

## **8.9 SOME GENERAL OBSERVATIONS AND TENDENCIES**

Finally, based on the results of the study some general observations and tendencies come to the fore:

- Some PESs have national strategies and procedures for obtaining and processing vacancies, but at the same time there are differences in implementation between regions. This holds for example for Germany, Great Britain and Sweden. Sometimes a large regional autonomy is incorporated in the system, like in Spain ('Comunidades'), Ireland and Germany (Lander). In some cases however, there seems to be a lack of central, nationwide strategies and procedures that give the main guidelines or conditions for the processing of vacancies for each region and office. Some aspects of the work process should to a certain extent be standardised, for example in a quality handbook.
- In most countries there exists a rather undifferentiated service that is used for every employer and each vacancy, while on the supply side the policy developments have been going in the direction of services offered depending on the category of clients. A couple of PESs have some differentiation of services according to the type of vacancy: for example in France (the period between follow-up contacts), in Brussels (qualified vacancies will be published through the open system in the near future), the Netherlands (in Rotterdam the decision to use the open or half- open method depends on the expected size of the supply of suitable jobseekers). A more efficient process could be achieved by:
  - categorising vacancies, preferably on the basis of the expected chance that the vacancy is filled within a certain period of time (also the type of employer could be included in such an 'early warning' system for vacancies). The chance that someone from a disadvantaged group can be placed on the vacancy can also be included in the determination of the category of the vacancy;
  - adjusting the type of services offered to the category to which the vacancy belongs.
- There is a trend going on to more and more self-service instruments for jobseekers. But at the same time we observe that two PESs that, at least for some time, had a very extreme self-service model return from that (Ireland and the Netherlands). The Irish FAS openly states that one of the weakest points in the current system is the lack of contacts of PES-staff with employers. Currently, contacts with employers are once again seen as indispensable for the work of the counsellors. In the Netherlands it is reported that both employers (selection or screening) and jobseekers (more detailed information about the company) do want some kind of assistance from the PES. The question is too what extent this need of employers is caused by the increase of unemployment; employers once again get many, many applicants for one vacancy. Maybe the need of some kind of selection of candidates by the PES disappears again when the labour market situation improves.
- Many PESs don't have a very specific orientation with respect to the capturing and processing of vacancies. Both efficiency and equity purposes often are at play. It was not a main aim of the study to investigate the issue of coherence and consistency, but it seems that there are only a few PESs with a high level of coherence in vision, main objectives, purposes to process vacancies and specific strategies, procedures and activities in this respect. We observed some differences between the main objectives of the PESs and the purposes of vacancy processing, and what also can be observed is that most PESs carry

out some kind of selection of candidates for employers, even those PESs that have chosen to use the open method for matching as the predominant one. As the ILO states: 'Because of considerations such as employer expectations, problems of performance management and the social objectives of the PES, the PES in other countries (than Canada) maintain closed or semi-open systems to some extent. In most countries, unfortunately, the PES does not have a clear view of the right balance between self-service and active broking'<sup>17</sup>.

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<sup>17</sup> Thuy et al, 2001, page 48.

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## ANNEX A. DATES OF COUNTRY VISITS AND INTERVIEWED STAFF

Country	Date of visit	Interviews with:
Belgium-Flanders	19 August	Mr. John Boone, responsible at central level for the employer-line Mr. Ludo Vlemincks, coordinator Employer Services region Halle/Vilvoorde Mrs. Marlène Reggers, coordinator Employer Services Tongeren Mr. Jef Hooremans, coordinator vacancy processing in Antwerp
Belgium-Brussels	10 September	Mrs. Benedicte Decker, researcher in "observatoire bruxellois du marché du travail et des qualifications" Mrs Catherine Jadoule : coordinator of departement Horeca- socio culturel- Gestion des OE Mr. Eddy Courtheoux : General Director Mrs Anissa Benchekroun : International relation departement
France	20-23 July	Chantal Frecchiani, councillor in the JobCentre Ale Solferino, 15 <sup>th</sup> arrondissement, Paris Christian Deiss, Senior Advisor in: ANPE, Direction Generale, International Relations Department Christine Simon, EURES I.T. Project Manager Jean-Louis Zanda, Chargé de Mission at the Direction Generale, Direction des Études et Statistiques Marie-Claude Martinez, Chef de Departement Services aux Entreprises et Grand Comptes Sandrine Falot, Chargée de Mission Departement Services aux Entreprises et Grand Comptes Maryvonne le Liboux, Chargee de mission sur Methode de Recrutement par Simulation Mireille Fric, Directrice du Developpement des Service
Germany	16-18 July	Michael Eisentraut, Referatsleiter Letstelle, responsible for the controlling of the "Vermittlungsoffensive" project Knut H. Emmerich of the Institut für Arbeitsmarkt- und Berufsforschung (IAB) Emil Magvas of the Institut für Arbeitsmarkt- und Berufsforschung (IAB) Guido Nösinger, Eures-Berater Arbeitsamt in Frankfurt Frank Unger, Arbeitsberater with the Arbeitsamt in Frankfurt Dr. Günther Schauenberg, leiter des referats Internationale Arbeitsmarktbeziehungen in the Hauptstelle of the Bundesanstalt für Arbeit
Ireland	25-26 August	Mr. Ciaran Daily (CD), Manager Employment Services Support Mr. John McGrath (JmG) and Mrs. Roshin Sen (RS), FAS Planning and Research division Mrs. Joan Greene (JG), Employment Services IT Assistant Manager, IT co-ordinator for ES Mrs. Margaret Toale (MT), Manager National Vacancy Taking Centre Mr. Darren Lamont (DL), database expert FAS IT division (Darren.Lamont@FAS.ie) Mr. Frank Fagan (FF), Project Officer Employment Services Officer. Has been working in front office positions for many years. (Frank.Fagan@FAS.ie).
Netherlands	9, 18, 30 September	Mr. Theo Mensen, Mr. Martin Siers, Mrs. Winny van der Burgt, advisor CWI Etten Leur Mr. Karsten Bulling, coordinator vacancy acquisition team Rotterdam

Country	Date of visit	Interviews with:
Spain	28-30 September	<p>Mrs. Elvira González Santamarta – Head of Management Objectives, Department of Technical Services; <a href="mailto:objetivos.gestión@inem.es">objetivos.gestión@inem.es</a></p> <p>Gonzalo Mañeru Méndez – director Employment Management <a href="mailto:gonzalo.mañeru@inem.es">gonzalo.mañeru@inem.es</a></p> <p>Mrs M. Angeles Lence – subdirection Informatics and Statistics <a href="mailto:sispe.lence@inem.es">sispe.lence@inem.es</a></p> <p>Mrs Maria Pilar Leal Bravo, sub-director of EURES project Spain</p>
Sweden	9-12 September	<p>Claes-Goran Lock, responsible for development of matching and training activities</p> <p>Sandro Scocco, head of the division of analysis and evaluation</p> <p>Tord Strannefors, Head of forecast activities</p> <p>Johnny Ingvarson, head of department of statistics</p> <p>David Finch, councillor Jobcentre Lunda Nova</p>
UK	27-30 July	<p>Darren Shilhan, policy advisor in the Employer Support Directorate of the Jobcentreplus in Sheffield</p> <p>Phil Edge, deputy head of the Call Centre Directorate within the Employer Support Directorate in Sheffield.</p> <p>JobCentrePlus in Barnsley: Pat Parten - X manager of the JobCentre; Sally Andrews - manager of the client customer team; Denise .... - member of the Jobseekers Team; Richard ... - member of the advisors team</p> <p>Tom Davies, assistant statistician, member of the JobCentrePlus Statistics Team</p>

## **ANNEX B**

### **CHECKLIST FOR INTERVIEWS DURING THE SECOND PHASE OF THE EC-STUDY INTO THE ROLE OF PESs IN PROCESSING JOB VACANCIES**

#### **A. AIM OF CAPTURING, THE TAKE UP OF VACANCIES BY THE PES**

4. Main aims for the take up of vacancies by the PES (transparency, job brokerage in general, placement of disadvantaged groups).

#### **B. STRATEGIES, PROCEDURES AND ACTIVITIES TO INCREASE DIRECT NOTIFICATION OF VACANCIES TO THE PES BY EMPLOYERS**

1. Can you describe the main lines of the strategies and procedures used to stimulate employers to notify vacancies to the PES?
2. Are employers visited to search for vacancies? Who is doing the visits (account managers, counsellors, special employers relations unit)? Are the visits mainly targeted on certain sectors of economic activity or certain types of employers? How often are employers visited on average?
3. What is the content of these visits: consultation on hires, providing information on employment services, assistance on problems in employment management and/or advice in Human Resource Management (HRM)? Does an employer have a fixed contact person at the PES?
4. Within the PES, are there separate units that are responsible for a systematic contact with employers for proactive vacancy searches? What is the method of approach of employers? Are there any specialists for certain other tasks related to vacancies (the vacancy-intake for example)?
5. Are certain services of the PES only provided to employers that notify their vacancies to the PES? If yes, which services? Do employers know that?
6. Is there a national call-centres or are there regional call centres for the intake of vacancies? Are these call-centres only for the take up of vacancies or also for other services?
7. Promotion campaigns in the national and regional press (newspapers, TV, radio)?
8. Scanning of personnel advertisements in newspapers for vacancies suited for clients of the PES and subsequent contacting the involved employers to ask them if the vacancies may be taken up in the PES-registration?
9. Does the PES have a website on which employers can directly enter their vacancies, how did the numbers of vacancies entered on the website(s) develop since 2000?
10. If there is a website on which employers can enter vacancies: how does it function? An employer enters a vacancy: and then?
11. Does the website, besides the possibilities for employers to enter vacancies and to search for jobseekers, also offer interactive support instruments for employers?
12. What are, in the opinion of the interviewee, good practices of the PES in this respect from which PESs in other countries could learn or benefit?

**C. STRATEGIES, PROCEDURES, ARRANGEMENTS AND ACTIVITIES TO INCREASE TAKE-UP OF VACANCIES BY THE PES FROM OTHER SOURCES**

13. Can you describe the main lines of the strategies and procedures used to support the take-up of vacancies from other sources?
14. Vacancies published in advertisements in newspapers? Are there any arrangements with publishers of newspapers or magazines?
15. Vacancies from staff-leasing enterprises? Are there any arrangements with these enterprises regarding the take-up of their vacancies in the PES-database?
16. Vacancies from other databases than the database/registration of the PES? If yes, which databases?
17. What are, in the opinion of the interviewee, good practices of the PES in this respect from which PESs in other countries could learn or benefit?

**D. INTAKE OF VACANCIES**

18. Can you describe the main features of the intake of vacancies by the PES?
19. Where does the intake of vacancies take place: central call centre, regional call centres, on the Labour Offices?
20. What kind of information about the vacancies is registered during the intake (basic information about the employer, occupation, basic characteristics of the vacancy, requirements, et cetera)?
21. How long (minutes) does the intake take on average?
22. During the intake, does PES-staff assist employers in clarifying job requirements?
23. During the intake, does PES-staff provide advice about the prospect of finding candidates that match the requirements of the employer?
24. When the intake is completed, is this followed directly by a first search for candidates?
25. When the intake is completed, are certain arrangements made about the services of the PES that can and will be offered and about practical aspects regarding the way the vacancy will be processed (method of matching, frequency of contact with employer, when the vacancy will be removed from the registration, et cetera)?
26. What are, in the opinion of the interviewee, good practices of the PES in this respect from which PESs in other countries could learn or benefit?

**E. STRATEGIES AND PROCEDURES IN PROCESSING AND FILLING JOB VACANCIES**

27. Can you describe the main lines of the strategies, procedures and activities used by the PES to process and to fill vacancies?
28. In the processing of vacancies: does the PES distinguish between basic services and more extensive services towards employers? Are there any services for which employers must pay?
29. In which ways jobseekers can get information about vacancies in the PES-database (table 5.2 in intermediate report)? What are the most intensively used channels?
30. Which methods are used to match jobseekers with vacancies (open, semi-open, closed)? Is there some kind of co-ordination to regulate the number and kind of applicants to an employer?
31. If the open method (jobseekers can contact employers without interference of the PES) is mainly used: does the PES-staff also refer jobseekers to employers with vacancies?
32. How does the selection of jobseekers by the PES-counsellor take place? Which criteria (occupation, level and field of education, work experience, et cetera) are used for such a selection of jobseekers?

33. How are jobseekers referred to employers with vacancies (through a personal talk with the PES-counsellor, by telephone, by letter, by e-mail)?
34. Are employers personally informed on beforehand which jobseekers are referred to them?
35. How often the counsellor contacts the employer during the processing of the vacancy to inform about the results of the referrals? How? In a fixed frequency?
36. Are the referred jobseekers (also) contacted to see what the results of the referrals have been? How (personal talk, telephone, letter, E-mail)?
37. How often the counsellor contacts the employer during the processing of the vacancy to inform whether the vacancy is already filled or not (what the status of the vacancy is)? Does this happen in a fixed frequency?
38. When a vacancy is not filled within a certain period of time: will there follow special actions by the PES to try to fill the vacancy?
39. If there is a website on which jobseekers can view vacancies: how does it function? Does the employer get CV's directly after he entered a vacancy on the website?
40. How is information about the filling of vacancies obtained by the PES? Does the PES determine whether vacancies are filled by (actions of) the PES? How? Does your PES conduct studies or surveys into the satisfaction of her clients (employers, jobseekers)? If yes, what are the most important results from these studies or surveys?
41. What are, in the opinion of the interviewee, good practices of the PES in this respect from which PESs in other countries could learn or benefit?

**F. TECHNICAL ASPECTS RELATED TO THE DATABASES/REGISTRATIONS AND WEBSITES**

42. In general: can you point out how the vacancy database works and what its content is?
43. Central vacancy database or database per region or per local office?
44. Are there separate databases for vacancies directly notified to PES-staff, vacancies entered on the website by employers and vacancies captured from other sources? If yes, what are the most important differences between these databases?
45. What kind of information about vacancies is in the databases? Also information about the process (contacts with employer, referrals, etcetera)?
46. Does the database also contain the starting date of the job? If yes, for which part of the vacancies the starting date is equal to the date of the intake of the vacancy? And for which part of the vacancies the starting date is in the future?
47. Is it possible to identify certain types of vacancies in the databases, such as vacancies for jobs that are only for a small number of days (for example less than 8 calendar days), vacancies for jobs with a small number of working hours (for example less than 8 hours per week), vacancies for subsidised jobs and vacancies for jobs of staff-leasing enterprises? Or in other words: does the database/do the databases contain fields like number of working days, number of hours per week, a field in which it can be registered that it concerns a subsidised job and sector of economic activity?
48. How does the website function? Which information must be entered by employers and is registered? What are the procedures for the take up of vacancies through the website?
49. What are the procedures used for the (automatic) cancellation of vacancies entered on the website (to keep the database up to date)?
50. What are, in the opinion of the interviewee, good practices of the PES in this respect from which PESs in other countries could learn or benefit?

**G. SOME EDUCATED GUESSES (FOR CERTAIN COUNTRIES)**

51. Share of vacancies from staff-leasing enterprises in total number of vacancies notified to the PES (Germany, Netherlands, Spain, Sweden)?
52. Share of vacancies for subsidised jobs in the total number of vacancies notified to the PES (Netherlands, Sweden)?
53. Share of the number of vacancies captured by the PES /notified to the PES in the total number of vacancies in the economy?
54. Share of the number vacancies for positions that will be available in the future (weeks or months from the moment the vacancy is notified) in the total number of vacancies notified to the PES? So, vacancies for positions that are not immediately available.

## ANNEX C ADDITIONAL DETAILED TABLES

Table C.1 Important changes in structure, position or role of the PESs since 1990 (EU/EEA-countries)

PES of:	Most important changes
Austria	Until 1994 part of the ministry of labour and social affairs. Since 1994 AMS is an independent body with a tripartite managing board (social partners and government) and a board of directors. Overall objectives of this reform were decentralization, participation of social partners at all three levels (national, regional and local) and to create a more efficient and client-oriented service organisation.
Belgium – Brussels	ORBEM moved from an “administrative” culture that prevailed at its creation to an “entrepreneurial” culture which allows better to take into the account the specific needs of it’s clients: jobseekers and employers. ORBEM did orient itself at providing diversified services and answers to its clients. The role of ORBEM changed towards “coaching” and “advising” its clients, making constant search of services adequate to new developments. In June 2003 a new Law (Order) was adopted on the regulation of the labour market in the region of Brussels. It provides the grounds for new organisation of the labour market based on combined actions of ORBEM private employment agencies and local centres of socio-professional orientation. The goal is to stimulate co-operation between all the partners and combine their efforts.
Belgium – Flanders	In 1999: introduction of local job shops where VDAB sits together with the unemployment benefit organisation, NGO’s, community and welfare civil servants to deliver an integrated service-offer. In 2000: introduction of jobmanager client-approach visible in the structure of the employment offices: split in a jobseekers-line and an employers-line. In 2002: separation of merit activities (temporary work, outplacement, recruitment and selection) in government owned private LTD.
Belgium – Wallonia	Two Decrees of Wallonian government came into force on the 1 April 2003: <ol style="list-style-type: none"> <li>1. Decree concerning the new mission of FOREM (PES of Wallonia). FOREM was internally reorganised into 3 complementary entities: <ol style="list-style-type: none"> <li>a) FOREM Conseil (traditional work with individuals and enterprises; insures the management and distribution of information within the employment and training market; co-ordinates and supports all players;</li> <li>b) (b) FOREM Formation – the Public Service of professional training</li> <li>c) FOREM Support, which combines the support services for (a) and (b) (material, finance, staffing)</li> </ol> </li> <li>2. Decree establishing the wallonian commercial service for placement (TRACE- a public limited company financed with public fund; provides fee-paying placement activities). It will develop and promote its own commercial services to the HR sector, including temporary work, outplacement, recruitment and selection</li> </ol>
Denmark	-
Finland	There has been an organisational reform in the Ministry of Labour and in the regional administration. However, the position and organizational structure of the network of the local employment offices have not changed.
France	None

PES of:	Most important changes
Germany	1996-2002: Implementation of the draft reorganisation plan "Arbeitsamt 2000". Reorganisation of labour offices towards a more client-oriented organisation including client-differentiated intermediation services as well as various related organisational processes. In the beginning of 2002 the implementation was postponed. March 2002: Appointment of a President, up to then, the public employment service is led by an executive committee. 2002-ongoing: New organisational draft "BA-Die Agentur", which is being developed in project groups. Primary aim of all measures is to make sure that all unemployed enter the labour market as soon as possible. To that aim, the client-oriented approach towards employers and employees is being intensified. At the same time, the co-operation with third parties is being extended.
Great Britain	In 1990 the PES became a Next Steps Agency with a new framework, performance targets and finance rules. In 1996 the PES started to administer Jobseekers Allowance (benefit). In 2002 the PES joined the Department for Work and Pensions
Iceland	A new public authority, the Directorate of Labour, was established in 1997. All administration and employment service was set under this Directorate. Before that the local communities had their own employment exchanges.
Ireland	Ireland's public employment service has gone through a number of evolving stages. Up to 1987 the PES was delivered through a single dedicated national agency, the National Manpower Service. From 1987 employment services became part of FAS which is also responsible for Vocational Training, Community Services and Services to Business. In the mid-1990's, it was concluded that a more locally based and intensive service was needed to meet the specific needs of long-term unemployed and other groups in deprived communities who are distant from the labour market. This resulted in the establishment of a new Local Employment Service (LES) alongside the existing FAS Employment Service. More recently, reflecting concerns about the emergence of two separate FAS and LES organisational and funding streams, the aim has been to incorporate the two streams into a single integrated National Employment Service (NES), leading to re-assignment of responsibility for national management of both streams being assigned to FAS. Ireland now has a dual-stranded National Employment Service.
Italy	In 1997 Italian Government traced a complex process of reform concerning PES tasks and functioning. Besides the responsibility for PES was transferred from the Labour Ministry to local administration (regions and provinces).
Luxembourg	None
Netherlands	In 1990 the PES became an independent public organisation under a tripartite board (similar to Austria). From 1996 onwards the influence of social partners has been gradually reduced. In 2002 the Structure for Work and Income (SUWI) was introduced, which implied a reform of the structure of social security and employment services. The Dutch PES is in the new structure responsible for the registration of unemployed and vacancies, the intake for unemployment and social assistance benefits. People who are distant from the labour market are referred to the social security organisations: they have to provide them with so-called re-integration services that should be contracted out to private firms. CWI has to provide services to the people who have no distance to the labour market.
Norway	Major restructuring in 2002, from three to two organisational levels: the directorate of labour and local offices. Until 2002 the PES also had regional offices. In 2002: PES Norway got total responsibility for occupational rehabilitation.
Portugal	None
Spain	In 1993 the monopoly of the PES on job brokerage and job placement was abandoned. At the same time Temporary Work Agencies were permitted. From 1991 the management of vocational training and placements was successfully transferred to the regions.

PES of:	Most important changes
Sweden	<p>Self-service on the web is since about 1995 becoming progressively more important and the amount of employers and jobseekers visiting the web site is constantly increasing. Also the call-centre of the Labour Market Administration is in growth. These self-service tools provide employers and jobseekers quick and efficient information and service, any time and any day, allowing the staff of the Employment Service to concentrate more on individual support for jobseekers and employers. The overall vision and the main purpose of the AMS Internet programme is to improve and modernise the infrastructure provided by the Employment Service by creating a comprehensive Web site for placement, vocational guidance and information on education and the labour market and achieve high levels of customer satisfaction. There is also an ambition of finding ways of integrating and combining the services of AMS and other actors, e.g. other authorities, private agencies and other countries, into the concept of the 24-hour agency. Efficient information exchange between different organisations and/or applications was up to recently very difficult and costly. The reason was incompatible data formats, making information exchange dependent on manual registration of the same data several times. Today, automatic data exchange is possible by using the "XML-technique". The National Labour Market Board (AMS) in Sweden took the initiative to develop standard vocabularies for Job Postings and CV:s in co-operation with private companies, staffing companies and private job-brokers. The Swedish standards are based on the 'Staffing Exchange Protocol', developed by the HR-XML Consortium in the United States, though adjusted to Swedish context. We also develop a national standard vocabulary for the classification of occupations and skills and qualifications. This work is based on ISCO and the Job Profiles System currently used by AMS, and also used in EURES CV - Search. Creating an HR Industry Standard will make it possible for all parties on the recruitment market to exchange information in a very cost-efficient way, providing the means for one organisation to transact with many others without having to establish, engineer, and implement many separate interchange mechanisms. In addition, the standardisation will further enhance the transparency of the labour market. Hopefully, the next step will be to create a National Internet Portal where all job-postings and CV:s will be easily accessible, regardless of who "owns" the information.</p>
Switzerland	<p>After the revision of the law on unemployment benefits (LACI) on the 23 June 1995 the ORP were established.</p>

Source: SEOR questionnaire.

Table C.1(A) Important changes in structure, position or role of the PESs in the accession countries since 1990

PES of:	Most important changes
Cyprus	None
Czech Republic	Importance of PES in Czech Republic is growing. It depends on the situation on a labour market. PES is managing Labour Services and making for them methodology. Czech Republic established 14 Labour Offices as coordinators for realization employment policy in large regions.
Estonia	The PES in Estonia was established after Estonia regained its independence in the beginning of the nineties. Throughout the decade the PES have gone through constant and continuous developments as the whole field of activity was new for Estonia.
Hungary	The organisation was established in 1990. From 1990 through 1996 and from 2001, the organisation operated and has been operating under the professional guidance of a central controlling body of middle level (its present name: the Employment Office). From 1996 through 2001, the PES worked under the direct control of the Ministry.
Latvia	The Welfare Department in the Ministry of Economy was established with 118 officer positions in 1991. In 1992 the State Employment Service of Latvia was established with 147 officer positions under the supervision of the Ministry of Welfare. In 1993 the government decided to increase the number of officers with 450 percent (674) because of steadily increasing unemployment rate. In 1994, the SES status was changed to a public service "State Employment Service" with 601 officer positions and with this it was liable to the Law on Civil Servants. In 1994 the payment of unemployment benefits was transferred from SES to State Social Insurance Agency. In July 1999 the SES has changed its status to the Non-Profit State Share Organization "State Employment Service" with 609 staff positions.
Lithuania	Development of Information System to Service jobseekers, 1995; Introduction of Staff Work Planning and Assessment, 1995; Implementation of Management by Objectives, 1995; Development of Open Clients' Information System in Territorial Labour Exchanges, 1997; Implementation of New Clients' Oriented Service in All Territorial Labour Exchanges, 1999; Creation of "Labour Exchange on Internet", 2000; Development of Labour Market Monitoring System, 2000; Implementation of the Specialised Customer Service Model for Mediating and Counselling at Territorial Labour Exchange, 2002.
Malta	None, except improved operations.
Poland	From 1990-1993 regional labour offices and district labour offices existed. The National Labour Office was founded in 1993 which existed to 30 April 2002. Since 1 May 2002 Employment Services in Poland was changed. Now they have a decentralised model. The current system of authorities of employment services administered by the central government together with local elected government bodies.
Slovak Republic	Beginning of the institutional development is dated to early nineties with establishing labour offices as territorial bodies of a public administration, that were centralized to the Employment Services Administration (budget organization) in 1993. In 1993 was also established the Employment Fund, that materially covered not only unemployed persons, but was also used to finance job maintenance and job creation. The establishment of the National Labour Office in 1997 finalized the integration of disunited institutions on labour market and centralized its financing, execution and control into one institution. Managing and financing system of the NLO is established on insurance fund principle that is separated from the state budget.
Slovenia	At the beginning of the nineties a lot of new employment programmes were introduced and the number of unemployed increased significantly. The legislative changes at the end of 1998 brought changes in the unemployment insurance scheme and individual back to work plans for all unemployed were introduced

Source: SEOR questionnaire.

Table C.2 Objectives of the PESs (EU/EEA-countries)

PES of:	Main overall objectives	Did the main objectives change since 1990
Austria	<ol style="list-style-type: none"> <li>1. Supporting jobseekers to find a job;</li> <li>2. Supporting employers to find suitable employees;</li> <li>3. Providing information on the labour market for individuals, institutions and the general public.</li> </ol>	Yes: objectives changed with the reform 1994. Until 1994 main objectives were focused on unemployed persons and now AMS is a service oriented organisation focused on both partners of the labour market: jobseekers and employers.
Belgium – Brussels	<ol style="list-style-type: none"> <li>1. Implementation of employment policy</li> <li>2. Assure good functioning of the labour market: - to help jobseekers to ultimately find the best possible jobs; - to help employers find the most suitable staff; - to support disadvantaged groups; - provide and distribute information on the labour market and employment issues</li> <li>3. Take initiatives to achieve those goals</li> </ol>	Yes: ORBEM moved from an “administrative” culture that prevailed at its creation to an “entrepreneurial” culture which allows better to take into the account the specific needs of it’s clients: jobseekers and employers. instead of one. ORBEM did orient itself at providing diversified services and answers to it’s clients
Belgium – Flanders	The main objectives of the PES is regulation of the labour market with the objective to have an impact on the labour market in harmony with economic and social objectives	No
Belgium – Wallonia	<p>The modernisation of FOREM which has been underway for a few years, enables it to fully guarantee its Public Service missions. In strengthening the FOREM and in defining that its objectives are mainly of general interest, two principals are encountered: a) equal treatment for all; b) provided services are free of charge. The new objectives are shown through the new services of FOREM Conseil:</p> <ol style="list-style-type: none"> <li>1. Services to Individuals: counselling on administrative procedures; professional guidance and advice on career direction and job search</li> <li>2. Services to Enterprises: HR counselling, counselling on recruitment, implementing and management of public funds to help employment and training</li> <li>3. Services to other players: advice to other players and partners in project development and in the organisation of services delivered within one-stop-shops (which partnership structures), co-ordination of partners</li> <li>4. The Management and distribution of information and knowledge to insure clarity about the local employment and training market (transparency)</li> </ol>	Yes: New objectives are shown in the left column. They came into front after reorganisation of FOREM (see details in the Table.....)
Denmark	Not available	No

PES of:	Main overall objectives	Did the main objectives change since 1990
Finland	<ol style="list-style-type: none"> <li>1. To promote the functioning of the labour market.</li> <li>2. To promote accessibility of labour force.</li> <li>3. To prevent long term unemployed jobseekers to be excluded from the labour market</li> </ol>	<p>Yes: There was a very deep economic recession in Finland at the beginning of 1990s and at the same time there were structural changes in our occupation structure. These two phenomena lifted our unemployment rate to a very high level and created a new phenomenon: urban unemployment. Since the middle of the 1990s the accessibility of labour force has become a more important goal in the labour policy, and the services for employers have been actively developed. At the end of the 1990s two major employment policy reforms were carried out. These reforms especially emphasized activation of jobseekers (action plans, job clubs, active cooperation between jobseekers and employment offices), in order to enable them to find a job within the open labour market instead of getting unemployment security and subsidy-assisted employment</p>
France	<ol style="list-style-type: none"> <li>1. To respond better to the needs of the jobseekers, developing co-operation with employers</li> <li>2. Prevent and reduce the long- term unemployment</li> <li>3. Improve the quality of services to employers</li> </ol>	No
Germany	<ol style="list-style-type: none"> <li>1. Bringing together supply and demand on the labour market and apprenticeship system</li> <li>2. Provide the filling of open vacancies</li> <li>3. Improve employability of the unemployed in terms of their knowledge, skills and quality</li> <li>4. Combat illegal labour</li> <li>5. Contribute to further development of regional employment infrastructures</li> </ol>	No

PES of:	Main overall objectives	Did the main objectives change since 1990
Great Britain	<p>Jobcentre Plus objectives:</p> <ol style="list-style-type: none"> <li>1. To increase the effective labour supply by helping as many unemployed and economically inactive people of working age as possible move into jobs or self -employment; active competition for jobs by making available to them job vacancies, information, advice, training and support, and encouraging employers to open up more opportunities to them.</li> <li>2. To provide high quality and demand-led services to employer, which help them to fill job vacancies quickly and effectively with well prepared and motivated employees.</li> <li>3. To help people of working age in the most disadvantaged groups and areas to move closer to the labour market; to compete effectively for, and remain in work and to adjust more quickly to economic change.</li> <li>4. To ensure that people receiving working age benefits fulfil their responsibilities and are offered high quality help and support appropriate to their needs, while protecting the position of those in greatest need.</li> <li>5. To pay people of working age the correct amount of benefit to which they are entitled at the right time and throughout the periods of their claim, and to protect the benefit system from fraud, error and abuse.</li> <li>6. To improve continuously the quality, accessibility and delivery of services to all working age customers, respecting their individual differences and achieving the best possible outcome for each of them.</li> <li>7. To increase Jobcentre Plus's overall productivity, efficiently and effectiveness.</li> </ol>	No
Iceland	To monitor the Regional employment offices and coordinate their functions. To gather information from the regional employment offices on the employment offices and present findings, suggestions and recommendations on labour market measures to the board of the directorate.	Yes: A new public authority, Directorate of Labour was established in 1997. All administration and employment service was set under the Dir. Of Labour. Before the local communities had their own employment exchanges.
Ireland	FAS Employment Service has responsibility for the development and delivery of a general guidance and placement service. The aim of FAS Employment Service is to provide a national, high quality service, which will help jobseekers to ultimately find the best possible job and help employers to find the most suitable staff. In achieving this aim, FAS prioritises specific target groups, especially those who find it difficult to access labour market opportunities. The objective of the LES is to assist those most disadvantaged in the labour market to obtain employment by the provision of a specialist high support and locally responsive service.	Yes: Under Guidelines 1 and 2 of the European Employment Guidelines, from September 1998 all unemployed persons crossing designated thresholds of unemployment were systematically referred to FAS for intervention as part of the preventative strategy of unemployment

PES of:	Main overall objectives	Did the main objectives change since 1990
Italy	Objectives are expressed in the so called PES Masterplan. In order to accomplish at best their role in the labour market PES should provide basically 7 kind of services: information, administrative tasks (less than 40% of activity within 2006), labour demand – supply matching, job placement for disadvantaged people, people counselling, firms counselling, security inspection	Yes: with 1997 reform. In particular a law in 2000 re-defined the typology of PES clients.
Luxemburg	Provision of the optimal use of the labour force, coordinating this process with economic and social policy	No
Netherlands	The main objectives of the PES are: transparency labour market-filling vacancies - gatekeeper social security -partner with social security authorities-work permits and permits for dismissal	Yes: 2002: +gatekeeper and partner social security - reintegration services
Norway	Follow up jobseekers. - Improve info about the labour market.- stable operations to secure income of the job-seekers. - Increase co-operation with other players.	No
Portugal	<p>'-Promoting as broad as possible a knowledge of employment-related problems in order to contribute to the definition and adoption of an overall employment policy that embodies a national programme that is designed to progressively improve the employment situation;</p> <p>-Promoting the organisation of the employment market as an essential element in activity programmes, with the aim of achieving full employment;</p> <p>-Promoting the information and guidance, training and vocational rehabilitation and placement of workers (especially young people leaving the teaching system and other disadvantaged social groups), the analysis of jobs and the geographical and professional mobility of the labour force;</p> <p>-Promoting improved productivity on the part of all businesses by conducting vocational training activities of all the types and formats;</p> <p>-Providing technical and financial support for initiatives that lead to the creation of new jobs or the retaining of current ones in existing or future productive units;</p> <p>-Taking part in the co-ordination of technical co-operation activities in the employment and vocational training and rehabilitation fields that are conducted jointly with other Portuguese and international organisations and foreign countries;</p> <p>-In general terms, collaborating in the design, definition and assessment of the overall Portuguese employment policy, of which it is the executive body. (Decree-Law no. 247/85, from 12th July 1985 – IEFP Statute; maintained by Decree-Law no. 132/99, from 21st April 1999 – Employment Framework Act)</p>	No
Spain	<ol style="list-style-type: none"> <li>1. Organisation of a National Employment Service which provides services free of charge</li> <li>2. Development of the placement policy, professional advice and information which can help both the jobseekers to find adequate employment and employers to find employees that meet their needs</li> <li>3. Provide professional education along with the programs of professional training</li> <li>4. Manage and administer the placement of the unemployed</li> <li>5. Administer and guide the expenditures and assistance for the promotion of employment</li> </ol>	INEM did not change it's objectives. But it is necessary to keep in mind that in accordance with the process of transferring many issues from Central Administration to Regional level, the employment policy matters now are dealt mainly at the regional level.

PES of:	Main overall objectives	Did the main objectives change since 1990
Sweden	<p>The main objectives of the PES are: The public employment service is the tool through which the labour market policies decided upon by the government and parliament are put into practice, The EU employment guidelines constitute another important basis for its activities. Bearing in mind the problem areas described above, there are three principal areas towards which labour market policy efforts should be directed: *To match - to work towards an effective matching on the labour market with shorter vacancies and faster application times.*To train/educate - the increase the skills and qualifications of jobseekers so as to avoid a shortage of labour, to facilitate the changes taking place on the labour market and to improve the chances of unemployed individuals. *To activate - to support those groups that find it difficult to get work thus preventing further hardship. Labour market policy efforts shall work in such a way that equality and diversity are promoted.</p>	No
Switzerland	<ol style="list-style-type: none"> <li>1. Rehabilitation of the jobseekers, bringing them back to the labour market (in close co-operation with private and public enterprises)</li> <li>2. To support the private and public enterprises in their attempts to recruit personnel</li> <li>3. Act as an institute providing unemployment benefits</li> </ol>	<p>Yes: (1) maintain contacts with employers (1995); (2) Take into the account the priority of the native labour force before issuing the working permits; (3) Make an accent on the measures that activate (demand of subsidies)</p>

Table C.2(A) Objectives of the PESs in the accession countries

PES of:	Main overall objectives	Did the main objectives change since 1990
Cyprus	1) To assist and advise on the identification and assessment of labour market problems through: collecting and disseminating data on unemployment and job opportunities; studies and research on specific employment problems; analysis of the employment implications of development policies and evaluation of the impact of employment policies and measures.2) To assist and participate in the development/evaluation of employment policy 3) To co-operate and collaborate with other public and private bodies with a view to achieving the best possible distribution, effective use and mobilization of human resources.4) To contribute to the smooth operation of the labour market by:- assisting job-seekers to find suitable employment and helping employers to find suitable personnel through the registration and placement services,- facilitating occupational and geographical mobility through the provision of relevant information to job-seekers and employers,- initiating and operating programmes/schemes for categories of the labour force facing special problems,- providing vocational guidance and counseling on employment and training opportunities.	No
Czech Republic	1) provision of employment services to jobseekers and employers; 2) to find suitable employment and assist employers to find suitable employees; 3) to provide training services to clients seeking new jobs and to clients already having a job but requiring an improvement in their knowledge and skills.	No
Estonia	to mediate jobs, carry out vocational counseling, carry out labour market training, organize the payment of unemployment benefits and provide other labour market services	No
Hungary	<ol style="list-style-type: none"> <li>1. to foster the efficient operation of the labour market</li> <li>2. to improve the efficiency and standard of the service</li> <li>3. to improve the efficiency of labour market programmes</li> <li>4. to implement the middle-term informatics strategy of PES time-proportionately</li> <li>5. to implement the PHARE Project aimed at modernising the PES</li> <li>6. to develop the internal training system of the PES - to prepare for EU-admission and to continue completing duties already commenced.</li> </ol>	<p>Yes: Since its establishment in 1991, the labour market organisation has undergone several phases of development: Phase I :Safe organisation of the system of unemployment provisions Development of employment policy instruments, forms of support and making of the rules for procedure of job brokerage, as well as ensuring most efficient operation possible of the same Phase II: Development of labour market services (job and vocational guidance, job-seeking counselling, job-clubs, personal development training, psychological and rehabilitation counselling) Complex programmes for large and small groups)Fostering employment condition by joining the regional development process. Phase III: Implementation of duties related to the admission to the European Union Harmonisation of the laws Drawing up the National Development Plan and the Human Resource Development ProgrammePreparation for the access to the European Social Fund (ESF)Accession to the EURES system Preparation for the information and provision, if needed, of migrant employees Modernisation of the PES (labour market organisation)</p>

PES of:	Main overall objectives	Did the main objectives change since 1990
Latvia	The main objective of the PES is: to implement governmental Labor Market policy in order to reduce unemployment and to support unemployed and jobseekers (Law on Support of Unemployed and Job-seekers. 1.07.2002)..	No
Lithuania	1) Increasing the employability of the unemployed with the lowest chances of integrating into the labour market 2) Modernisation of work of Lithuanian Exchange.	Yes 1) Modernisation of work of Lithuanian Labour Exchange, 2003 2) Preparation for EU Membership, implementation of Free Movement of Persons Programme, 2003 3) Improvement of Business Environment and Promotion of Business 4) Enhancement of the services provided for the clients, 2000 5) Evaluation of Efficiency of Labour Market Measures for Customers, 1998
Malta	1) provision of employment services to jobseekers and employers; 2) to find suitable employment and assist employers to find suitable employees; 3) to provide training services to clients seeking new jobs and to clients already having a job but requiring an improvement in their knowledge and skills.	No
Poland	execution ruling Constitution about employment and counteract unemployment.	No
Slovak Republic	job mediation, career counselling and vocational guidance, support of job creation, support of job maintenance, creation of conditions for professional and territorial labour mobility, adjusting of professional structure of employed and unemployed to conditions of the labour market, lowering the negative consequences of the structural changes, organizational and rationalization steps on employment. Special attention is given to job placement of young people, high school and universities graduates, people over 50 years, individuals recorded in the registration of the unemployed for over 12 months, disabled persons, payment of unemployment benefits.	Yes: Active labour market policy /ALMP/ was implemented with a different system of legal assignment by creation of the so called socially useful job positions in 1993 – 1996. In the period of 1997 – 1998 ALMP was realized through two systems of legal indemnity. During the period of 1993 – 1996 542 400 contracts were signed on creation of socially useful job positions and 486 900 registered unemployed were placed. Job creation based upon these agreements continued in 1997 - 1998. According to National Council Act No. 387/1996 on Employment that came into force on the first of January 1997 job positions were created in accordance with agreed job positions. In the period of 1997 – 2002 were created 138 200 agreed job positions, where 140 100 registered unemployed were placed. Special instrument of the ALMP has been used since August 1, 2000. It was financed from a special grant of state budget (arranged socially beneficial jobs for long-term unemployed people). By means of this instrument during the year 2002 135 800 long-term unemployed persons were placed.
Slovenia	To reduce unemployment and increase employment; To facilitate a successful professional career development of the individual; To guarantee social security for those entitled to it; To ensure uniform quality of services throughout Slovenia	Yes: The main objectives were defined in the beginning of 1994

Source: SEOR questionnaire.

Table C.3 Size of organisation and share of staff (EU/EEA countries)

PES of	Number of PES staff	Full-time equivalents	Percentage of staff dealing with vacancies	Salaried employment per staff-member	Number of regional offices	Number of local offices	Salaried employment per local office
Austria	4.720	4.184	9%	685	9	96	33.700
Belgium – Brussels	650	570	14%	-		5	-
Belgium – Flanders	3.800	1.500 to the classical PES-functions (information of labour market, job broking & adjustment guidance)	8.38%	-	13	100	-
Belgium – Wallonia	3.067 Number included also public service of professional training	2.800	Not available	-	146	159 <sup>a)</sup>	-
Belgium <sup>b)</sup>				456			13.000 <sup>b)</sup>
Denmark	2.500	2.200	10%	999	14	60	41.600
Finland	-	-	88%	-	15	143	14.700
France	23 000	21.000	25%	926	26	800	26.600

PES of	Number of PES staff	Full-time equivalents	Percentage of staff dealing with vacancies	Salaried employment per staff-member	Number of regional offices	Number of local offices	Salaried employment per local office
Germany	99.620	88.546	17%	324	11	180 and around 650 offices within the local Arbeitsämter	38.900 <sup>c)</sup>
Great Britain	87.436	77.921	1,3%	286	11	1.463	17.100
Iceland	72	65	25%	1.805	8	60	2.200
Ireland	862 (FAS+LES)		FAS has a dedicated Vacancy Taking Call Centre w hich employs 16 full Time staff members who are responsible for registering all NES vacancies. Time spent on processing vacancies would vary between service (FAS or LES) region, employment office and staff type.	1.670	8 (FAS)	26 (LES)	42.400 <sup>d)</sup>
Italy	10 000	-	1%	1.579	21	53	-
Luxembourg	-	-	20-25%	-	4		43.250 <sup>e)</sup>
Netherlands	4.320	-	80%	1.671	6	130	55.600
Norway	3.200		3-5%	662	0	180	11.800
Portugal	4.109	4.109	13%	908	5	86	43.400
Spain	8.499	8.499	27%	1.540	52	818	16.000
Sweden	10.209 <sup>f)</sup>		-	380	-	325	11.900
Switzerland	2.700	2.200	10%	1.218	126	0	26.100 <sup>g)</sup>

a) There are 1 Central Office and 146 regional offices distributed in 11 Regional Employment Directions and 9 Vocational Training Coordinations and there are 13 local labour offices (Maisons de l'Emploi, partnership with local authorities, local social services offices and non-profit associations in the field of social and professional integration. Ending 2004, there will be 104 Maisons de l'Emploi in the Walloon Region)

b) The ratios are calculated using the summing up figures for PES staff in three Belgium regions and summing up local offices in three Belgium regions

c) The figure of 830 (180 plus 650) offices was used

d) The summed figure of 34 offices of FAS and LES was used

e) Figure of 4 regional offices was used

f) *The figure includes all labour market administration, also those who work in the job centers.*

g) *Figure of 126 regional offices was used*

*Source: SEOR questionnaire.*

Table C.3(A) Size of organisation and share of staff (Accession countries)

PES of	Number of PES staff	Full-time equivalents	Percentage of staff dealing with vacancies	Salaried employment per staff-member	Number of regional offices	Number of local offices	Salaried employment per local office
Cyprus	89	89	47%	2.730	4	2	40.500 <sup>a)</sup>
Czech Republic	5.096	5.010	15%	786	77	182	22.000
Estonia	260	250	80%	2.081	16	-	33.800
Hungary	4.600	4.500	19%	721	20	173	19.200
Latvia	532	498	25%	2.116	1	28	40.200
Lithuania	1.465	1.440	10%	585		46 <sup>b)</sup>	18.600
Malta	158	156	2%	804	4	16	7.900
Poland	15.874	15.129	9%	625	16	338	29.300
Slovakia	5.100	5.060	2%	379	8	79	24.400
Slovenia	1.100	850	31%	703	12	59	13.100

a) the sum of 4 regional and 2 local offices was used

b) 46 territorial offices are reported

Source: SEOR questionnaire.

*Table C.4 Proportion of vacancies for single jobs and proportion of vacancies for a number of positions in the total number of captured vacancies by the PES in 2002 (EU/EEA-countries)*

Country	Vacancies for a single position	Vacancies for a number of positions	Total	Used in own vacancy statistics: vacancies or positions?
Austria	The ratio is around 1:1,5: 200.000 vacancies for 300.000 jobs in 2002		100%	Number of positions
Belgium – Brussels	90%	10%	100%	Number of positions
Belgium – Flanders	88%	12%	100%	For external statistical reporting: number of positions
Belgium – Wallonia	94%	6%	100%	Number of positions
Denmark	Not available	Not available	-	Number of positions
Finland	100%	-	100%	Vacancies = positions, because vacancies for more than one position are split up in the database.
France	49%	51%	100%	Number of positions
Germany	Not available	Not available	-	
Great Britain	66%	34%	100%	Both are used
Iceland	35%	65%	100%	
Ireland	32%	68%	100%	Both are used, but positions is the primary reporting statistic
Italy	Not available	Not available	-	
Luxembourg	On average: each notified vacancy concerns 1,3 positions			Number of positions
Netherlands	88%	12%	100%	Number of positions
Norway	100%		100%	Number of positions. Vacancies for more than one position are split up in the database
Portugal	78%	22%	100%	Number of positions. On average 1,7 work positions per job vacancy in 2002.
Spain	Not available	Not available	-	L'INEM counts the positions not the number of vacancies. Number of positions.
Sweden	Not available	Not available	-	
Switzerland	91%	9%	100%	Number of positions

*Table C.4(A) Proportion of vacancies for single jobs and proportion of vacancies for a number of positions in the total number of captured vacancies by the PES in 2002 (accession countries)*

Country	Vacancies for a single position	Vacancies for a number of positions	Total	Used in own vacancy statistics: vacancies or positions?
Cyprus	Not available	Not available		Number of positions
Czech Republic	Not available	Not available		Vacancy and position is the same term in their database
Estonia	Not available	Not available		
Hungary	100%	0%	100%	Number of positions
Latvia	100%	0%	100%	Number of vacancies
Lithuania	Not available	Not available		Number of positions
Malta	50%	50%	100%	Number of vacancies
Poland	Not available	Not available		
Slovak Republic	Not available	Not available		Number of vacancies
Slovenia	Not available	Not available		In Slovenia for each vacant job, job vacancy has to be notified; number of vacancies = number of positions

Source: SEOR questionnaire.

*Table C.5 Proportion of employers that request active assistance/involvement of the PES in filling the vacancies*

Country	Proportion of employers requesting active assistance/involvement of the PES in 2002	Comments
Austria	75 – 100 %	
Belgium – Brussels	75 – 100 %	
Belgium – Flanders	25 – 49 %	Share was 75 – 100% in 2000. Effect of success of website.
Belgium – Wallonia	75 – 100 %	
Denmark	Probably 75 – 100 %	
Finland	50 – 74 %	
France	75 – 100%	
Germany	75 – 100 %	
Great Britain	75 – 100 %	
Iceland	75 – 100 %	
Ireland	Not available	
Italy	Not available	
Luxembourg	75 – 100 %	
Netherlands	75 – 100 %	
Norway	75 – 100 %	
Portugal	75 – 100 %	
Spain	75 – 100 %	
Sweden	Not available	
Switzerland	Not available	

*Source: SEOR questionnaire.*

Table C.5(A) *Proportion of employers that request active assistance/involvement of the PES in filling the vacancies*

Country	Proportion of employers requesting active assistance/involvement of the PES in 2002	Comments
Cyprus	75 - 100 %	
Czech Republic	75 - 100 %	When employer notifies vacancies, PES automatically recommends them for jobseekers
Estonia	Not available	
Hungary	75 - 100 %	
Latvia	25 - 49%	
Lithuania	75 - 100%	In 2000 this percentage was lower 50-74%
Malta	75 - 100%	
Poland	25 - 49%	
Slovak Republic	50 - 74%	
Slovenia	75 - 100%	

Source: SEOR questionnaire.