



ILO/Japan  
Multi-bilateral  
Programme



International  
Labour  
Organization

# Linkages between unemployment insurance and employment services International experiences

By Celine Peyron Bista

ILO

Thai Ngyuen, 3 October 2012

# Content of the presentation



- ILO's principles and perspectives on unemployment protection
- Linking unemployment benefits and employment services: some international experiences
- Lesson learnt, take away message

# Protection against Unemployment in ILO Standards (up-to-date)



**Recommendation concerning national floors of social protection, R.202**

...mation and  
...employment  
, 1988

...Concerning  
Employment Promotion and Protection  
against Unemployment, 1988

**C.102: Convention** concerning Minimum  
Standards of Social Security, 1952 (Part IV –  
Unemployment Benefit)

# Major Ideas around which the Convention No. 168 was built (1988)

- ❑ **Economic growth :**
  - ❑ best cure against unemployment with a flexible response to change;
  - ❑ **lead** to creation and promotion of all forms of **productive and freely chosen employment** (Art. 2 C. 168) including small undertakings, cooperatives, self-employment and local initiatives for employment (e.g. paras. 7-8 R. 176);
- ❑ **Social security = a means to promote employment and increase capability & employability** (larger concept of social protection= SPF)
- ❑ Need for Active **coordination, integration and consolidation** of the **different means** (**employment assistance and economic support**) serving the goal of employment promotion
- ❑ By establishing a **national “system of protection against unemployment”**.

# Objective: To protect workers and their family against loss of employment and income

Maintaining the unemployed and their family in *healthy and reasonable living conditions* (C168, art.16)



Promoting active labour market policies for *full, productive and fully chosen employment* (C168, art.2&7)



# A three dimensional strategy

is one of the most effective and efficient combination to:

1- to **protect the unemployed and their families** against poverty and deal with the economically-adverse effect of the crisis

2- to **facilitate return to employment** as soon as possible on the other hand (stabilizing the employment)

3- to **upgrade skills and capabilities** for better employability in changing labour market (adapting to changing economies)



# The ILO's Perspective

- The Provision of Unemployment Benefits on the basis of
  - Periodical payments, and
  - Social Insurance

is ***optimal*** in most cases, for reasons including:

- It is well-suited to ensuring the rights of participants;
- Periodical payments best meet the livelihood needs of individuals and families;
- The social insurance mechanism allows for “pooling” of risks and costs on an equitable basis, and
- Allows for protection of workers even when an employer becomes insolvent or individual savings mechanisms fail (as in recent economic crisis).

# Recalling some of ILO's principles related to unemployment benefits... (C.102)



## Protection of workers

Prime goal is protection of rights and interests of those who lose their source of earnings

## Solidarity basis

Leans on collective financing and risk pooling (among type of contracts, among enterprises)

## Informed social dialogue

It will ensure a fair balance of interest.  
Requires a long informative and consultative process

## Transparency and sustainability

Need for affordability and feasibility assessments to provide adequate and progressive level of benefits.  
In coherency with national socio-economic development plans



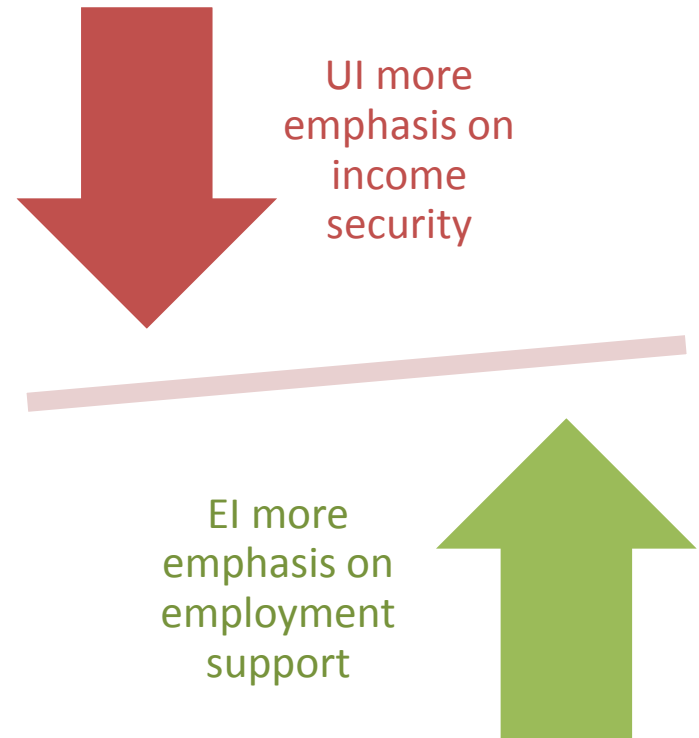
# UI, EI, is there any difference?

- National schemes may have the title:
  - “*Employment* Benefit Scheme” (Korea, Japan, Canada... )
  - or
  - “*Unemployment* Benefit Scheme” (France, Thailand, Germany...)
- In most cases, the title may not affect the scheme substantively,  
BUT
- It can be useful for the title to convey the national policy approach to the subject



# Un/employment Benefit: Same basic principles

- To provide income support
- In the form of periodical payments (mainly)
- Organized on the basis of social insurance
- To facilitate re-employment



# Content of the presentation



- ILO's principles and perspectives on unemployment protection
- Linking unemployment benefits and employment services: some international experiences
- Lesson learnt, take away message

# France: Pole-Emploi

- In 2009: merging offices of PES (ANPE) and UI payment offices (ASSEDIC) (2 separate funds)
  - Purpose:
    - offering easier access to both services
    - improving re-employment rate of job-seekers by better integrating benefits and employment assistance
  - 2012, New Project: reinforcing individual case-management services
- 3 levels:
- reinforced support: for long-term or chronically unemployed
  - guided support: periodical reporting and job placement counseling
  - job-seeking support: for those with high probability to return to work (encouraging on-line services).



# Argentina –services extended to all unemployed

## Seguro de capacitacion y empleo (SCyE) (2006)

- “Cash for work”: non-contributory but conditional cash transfer for unemployed (those not covered by UI scheme):
  - Allowance up to 24 months and maintenance of SS coverage

### Conditions, using PES:

- accomplishment of basic education levels and enrollment in vocational training
- use of job seeking services provided for placement in public, private and NGOs jobs
- training to improve job’s integration (preparedness to interviews, etc...)
- participation to training to start up own business



# One-counter-service in Thailand

Commercial bank offices



SS office

Registers UI claimants, process claims, but also any other operation related to any SSS benefits



Provincial Labour Office

Skills development

Entry point for personalized orientation among different services

Provides updated information on VT courses available at the provincial level.

PES

Provides job seeking and placement services for all unemployed



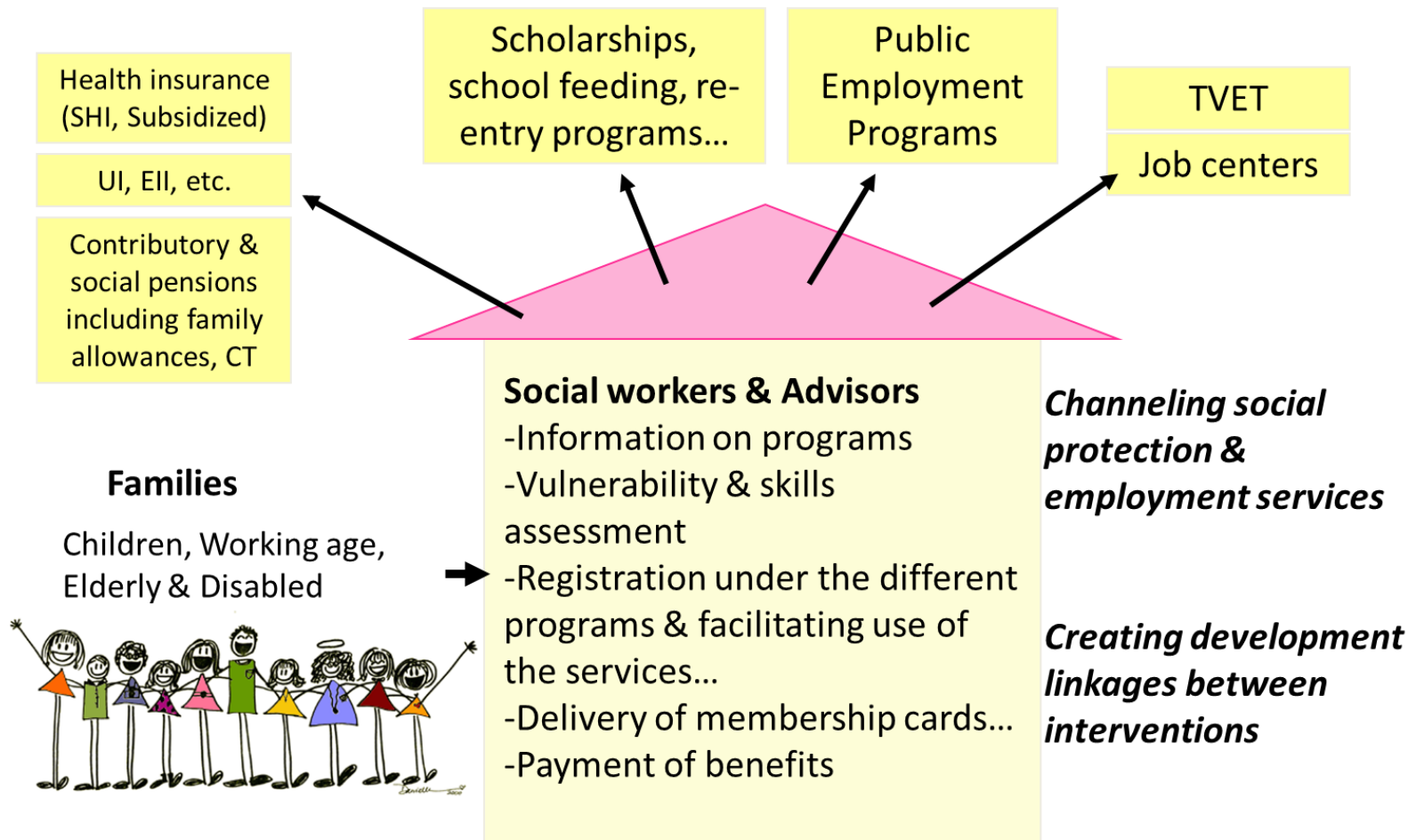
# Content of the presentation



- ILO's principles and perspectives on unemployment protection
- Linking unemployment benefits and employment services: some international experiences
- Lesson learnt, take away message



# Lesson learnt: SWS - a single entry to SS and Employment services





# Expected outcome of the combined benefit packages

## WORKERS IN THE INFORMAL ECONOMY, THE WORKING POOR:

- Progressive inclusion in the labor market
- Higher social protection

Higher Levels of S Protection

Higher levels of income

Access to Sustainable employment (Micro-Enterprise or Formal jobs)

Increase employability: human capital (health, education) + work experience & training

Employment Services

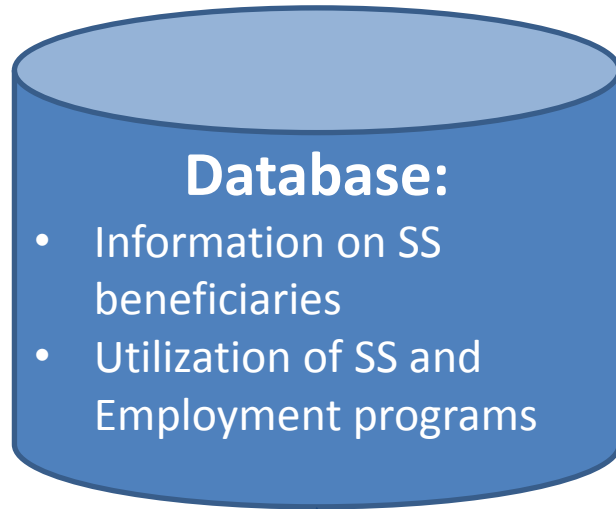


Basic social protection

- Skills assessment & training ...
- Access to PWPs ; Job placement
- Business Development Services

- Access to health, education, food security
- Income security

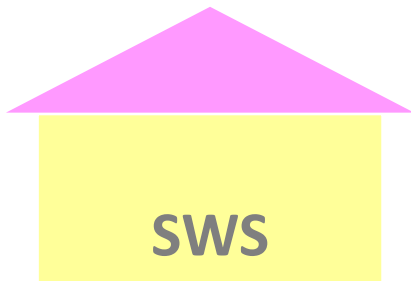
# Integrated database



Monitoring of the expansion of social protection, impact analysis & adjustments of policies and implementation



Consultation and update



**Single Entry Point**  
to facilitate access  
to social protection  
and employment  
services

Case management  
with social workers  
who would answer  
to the needs of  
people

Combining packages  
... to increase impact  
of the interventions  
and graduation out of  
vulnerability



ILO/Japan  
Multi-bilateral  
Programme



---

International  
Labour  
Organization

# Thank you!