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Good Practices in Social Security

Good practice in operation since: 2004

Case management

A case of the National Employment Office

National Employment Office
Belgium

Summary

On 1 July 2004, the Belgian Federal government introduced a plan based on a case management approach to provide support and follow-up for unemployed workers (PAS), as part of its fight to reduce unemployment in general and long-term unemployment in particular.

The plan comprises two complementary sections:

- support is provided by the regional employment services in the form of strengthened support activities and active employment policies aimed at specific target groups (assistance in job hunting, pathways to work, training courses, etc.);*
- follow-up: the National Employment Office (Office national de l'emploi (ONEM)) is responsible for providing more thorough and systematic monitoring of passive and active availability (participation in proposed active employment policies and active job hunting, respectively) among the unemployed. Individual interviews are used to monitor job hunting activities on a regular basis and sanctions may be applied if the efforts made are considered insufficient.*

Another important element of the PAS concerns the reinforcement of cooperation/coordination between institutions, particularly the exchange of data for monitoring the availability of fully unemployed individuals receiving benefits (exchange of data concerning refusal of work or training, non-participation in support activities, etc.)

The plan was not applied across the board immediately but was introduced progressively: It was applied to unemployed workers under 30 years of age as from 1 July 2004, to unemployed workers under 40 years of age as from 1 July 2005, and to unemployed workers under 50 years of age as from 1 July 2006.

CRITERIA 1:

What was the issue/problem/challenge addressed by your good practice?

The Belgian unemployment insurance system in force prior to July 2004 monitored availability for the labour market only in the case of long-term unemployed workers who were co-habiting (the term "co-habiting" being used to describe workers who are neither "heads of families" nor "living alone", i.e. if they are living with one (or more) person(s) who are wage-earning or receiving a replacement income).

This procedure raised the following problems: firstly, it applied only to a minority of the unemployed, women being highly over-represented; secondly, it was carried out only after a relatively long period of unemployment which varied depending on the personal characteristics of the individuals involved (age, sex etc.) There is no time limit to unemployment benefits in Belgium, which made this situation even more problematic.

Communication and coordination of activities between the institutions responsible for employment and unemployment was also inadequate (i.e. between the National Employment Office (ONEM) responsible for monitoring work-related activities of unemployed workers receiving benefits and the application of sanctions, and the regional and local employment departments (SPEs) responsible for placement and for providing support and training for job seekers). Information concerning the rejection of work or insertion activities, failure to attend meetings etc. was in fact very rarely forwarded by the SPEs to ONEM. This led to less effective monitoring of job-seeking activities and restricted the sanctions which ONEM could apply as a result of monitoring carried out during periods of unemployment.

CRITERIA 2:

What were the main objectives and the expected outcomes?

The plan to provide support and follow-up for unemployed workers (PAS) was introduced by the federal government on 1 July 2004 in order to face up to these problems and take more effective action to reduce long-term unemployment. The PAS is designed to strengthen support and active employment policies for unemployed workers (assistance in job-seeking, pathways to work, training courses etc.), while at the same time providing more effective monitoring of their active and passive availability for work, in order to facilitate their reintegration of the labour market.

CRITERIA 3:

What is the innovative approach/strategy followed to achieve the objectives?

The PAS is based on coordination of the activities of the institutions, each in their own area of responsibility, and involves a range of active, personalized measures which guarantee individual support and better follow-up for the unemployed.

The plan also introduced a certain number of important changes in the Belgian unemployment insurance system:

- the duration of unemployment benefits no longer depends on administrative criteria but on the efforts made by the unemployed in terms of active job hunting;
- the new measures for the monitoring of long-term unemployment apply to all categories of fully unemployed workers receiving benefits (single, heads of families and those co-habiting aged under 50);
- new staff members known as “facilitators” have been recruited and trained to take responsibility for monitoring the availability of unemployed workers and for stimulating their efforts to find work.

CRITERIA 4:

Have the resources and inputs been used in an optimal way to implement the practice?

Resources allocated to the programme include 189 staff members and an estimated budget of 13 million Euros for the period from 1 January 2004 to 31 December 2007. The turnover rate for the facilitators (17.8 per cent), who are new staff members responsible for carrying out follow-up interviews, is higher than for other staff (4.9 per cent).

Proof of the effectiveness of this approach lies in the amount of unemployment benefits paid to the various target groups, which fell more significantly as soon as the plan was implemented.

The period of economic recession between the second quarter 2004 and the 2nd quarter 2005 was accompanied by a drop of 5 per cent in the number of job-seekers under 30 years of age; their numbers had increased up to the end of 2003, in spite of a more favourable economic environment. This downward trend became more marked during the period of economic upturn from the 3rd quarter 2005 onwards. Unemployment benefit payments were reduced by a total of 19 per cent.

The number of job-seekers under 30 fell during the period of economic recession, but this was not the case in the same period for job-seekers between 30 and 40 who at that time were not yet subject to the follow-up procedure. The implementation of the follow-up procedure can therefore be considered the factor responsible for reducing compensated unemployment among the under-30s during this period of economic recession.

The simultaneous improvement in the economic situation and the implementation of the new procedure from July 2005 onwards in the target group aged 30-40, led to a bigger drop in compensated unemployment in this target group than in the under -30 target group. Their number fell by 23 per cent in two and a half years.

CRITERIA 5:

What impact/results have been achieved so far?

The plan has enabled us to ensure real and effective monitoring of the active and passive availability of unemployed workers for the labour market. The number of warnings and sanctions applied by the ONEM as a result of information received from regional employment services was multiplied by 5 between 2003 and 2007 (rising from 4,179 to 20,863).

The PAS has a positive influence on job-seeking behaviour. From 1 July 2004 to 31 December 2007, ONEM carried out 271,483 evaluation interviews. These interviews indicated that on average 60 per cent (59.8) of job-seekers were felt to have made sufficient efforts in looking for work.

Since the plan came into effect, we have noted a significant increase in the number of unemployed workers undertaking professional training (+40 per cent) or taking up studies (+56 per cent). There has also been a significant drop of approximately 20 per cent (within and outside the target group) in the number of unemployed in each age group as the system was progressively extended to each one of them. The drop in unemployment affects each age group as from the date on which the new activating procedure comes into effect.

CRITERIA 6:

What lessons have been learned from the introduction of this good practice?

The case management experiment carried out within the Belgian National Employment Office has shown that this approach can constitute an effective tool in the prevention of long-term unemployment if implemented coherently. It allows a personal approach which provides better services for the unemployed and emphasizes that the responsibility lies with the latter while allowing sanctions to be applied if they fail to respect their obligations (in which case the unemployment insurance scheme is able to reduce its costs). Case management enables the operating capacity of institutions to be enhanced in terms of the programmes they supply, provided there is good coordination and cooperation between them. Clear definition of the roles and responsibilities of all those involved is also extremely important.

As a result of the lessons learned from case management, the new government hopes in the near future to improve the support provided for job-seekers by strengthening the follow-up procedures. Attention will focus on reinforcing the cooperation between institutions, on the fate of job-seekers far removed from the labour market and on strengthening the preventive effects of the plan.

CRITERIA 7:

To what extent would your good practice be appropriate for replication by other social security institutions?

As a tool for the promotion of employment, case management can be replicated by other institutions and countries facing similar problems or pursuing the same goals. It is in fact increasingly well-recognized and utilized in various countries. The way in which it is introduced depends largely on the unemployment situation in the country concerned. Its introduction requires adequate financial and human resources as well as good coordination and cooperation between the various actors involved.