

# **Integrating unemployment protection and employment support**

**Good Practices Guide for the course on**

**Designing and implementing unemployment protection linking with active labour market programmes**

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**organised by ILO, ITC ILO and Chulalongkorn University, Thailand**

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## **Introduction**

In market economies, involuntary unemployment and underemployment is an economic contingency that people may face. The 2009 financial and economic crisis and its impact on the labour markets contributed to raise awareness on the importance of introducing unemployment protection measures. Unemployment benefits (under the form of contributory or social assistance schemes) aim to guarantee at least partial income replacement, enabling the beneficiary to maintain a certain standard of living until returning to work. Unemployment benefits also aim to support the unemployed in increasing their employability and searching new jobs.

Income security for the working age group, as guaranteed by the social protection floor, can take the form of various income support benefits and/or employment guarantees and services for the unemployed and working poor.

Such options will combine the income replacement function of social security with active labour market policies (ALMPs) as well as assistance and incentives that promote real participation in the formal labour market.

For the active age group, a three-dimensional approach, combining income security, employment promotion and skills development, is perceived as the most effective combination:

- 1- to ensure a minimum income and prevent the unemployed and their families from poverty;
- 2- to facilitate return to employment as soon as possible; and
- 3- to upgrade skills and capabilities for better employability in changing labour market (adapting to restructuring economies and diversification of economic potential).

Few examples of policies and programmes are:

- (i) for income support benefits, through unemployment insurance, minimum income guarantee schemes or cash for work programmes;
- (ii) employability and skills development programmes: education and training initiatives, apprenticeships, public employment programmes, community services and/or support to entrepreneurship.

As importantly as the economic objectives, ALMPs almost always have social and political objectives which are of high relevance during the design and implementation process. In this sense, dialogue with all stakeholders, including social partners, will have a significant impact on the success of these programs. In Republic of Korea, the recently adopted tripartite agreement to reinforce the “social safety net to make work pay”, is one illustration. ALMPs stress out government’s concern and commitment to address unemployment and working poverty, social inclusion and stability. When targeted on specific groups such as

female workers, youth, persons with disability, low skilled or working poor, they demonstrate the government's priority on access to equal opportunities.

ALMPs can also play an important part in mitigating the impact on workers of the restructuring and labour reforms.

Among the Association of Southeast Asian Nations (ASEAN), Thailand (2004) and Viet Nam (2009) are the only two countries that have introduced unemployment insurance schemes. In these two countries, cash benefits are supported by job placement services and/or allowances to attend vocational training programmes. Malaysia and the Philippines are also discussing the relevance of introducing unemployment insurance to support their economy and labour market, and provide better protection to those who lose their employment.

Singapore has in place skills development and entrepreneurship support programmes to facilitate the re-integration of job seekers into the labour market. In Cambodia, the National Training Fund promotes human resources development by providing training grants and micro-credit facilities, in particular for rural population, as part of its National Social Protection Strategy.

In Malaysia, the Return to Work Programme implemented by the Social Security Organization provides, through a strict case management approach, psychological support, counselling and vocational training for insured occupational injured to re-integrate the labour market.

In most of the ASEAN countries the main challenge is not only unemployment, but also increasing underemployment, persistent vulnerable employment, and growing youth unemployment. In South East Asia and the Pacific, some 181 million people, or 62.3 per cent of the region's workers, were employed in vulnerable jobs in 2010, which is an increase compared to 2009; young job seekers were five times more likely than adults to be unemployed in 2011.

It is therefore necessary to put in place an integrated and coordinated array of services and policies addressing challenges of both informal and formal workers. An integrated intervention should include social transfers, active labour market policies and small and medium enterprises development which can open up work opportunities for workers of the formal and informal economy.

## **Module 0: Getting started and how to use the training manual**

### **Purpose and objectives of the training manual:**

The training manual provides a set of guidelines and tools to conduct training sessions and workshops for the design and implementation of unemployment benefits schemes linking with active labour market policies. It can also be used as a reference guide by policy makers to conduct feasibility studies for the design of unemployment protection systems for both informal and formal economy workers. The manual does not prescribe a standard system or method; it recalls the ILO principles and approach that will guide the design and implementation of context-specific unemployment protection schemes.

The training manual follows the main steps of the conduct of a feasibility study that will explore different aspects of the future unemployment protection schemes: analysis of the labour market indicators, financial aspects, laws and regulation, options for institutional set-up and social dialogue.

The manual may be used as a guide to conduct a training session. However, the precise content of the session should be based on the following parameters:

- Objective of the training session;
- Prior knowledge and skills requirements of participants;
- Economic and social context and social security situation in the country, whether it is in initial or advanced stages;
- Resources available to the organisers of the training session and participants;
- Capacity and prior experience of trainers;
- Any training previously given on the topic.

### **Training and knowledge sharing methodologies**

The training manual prescribes a combination of several methods to facilitate learning and participation. The organisers may use only certain or other methods as they see convenient. Various active methods that help in easy understanding and knowledge sharing are listed below:

- Presentations (containing text, diagrams, graphs, numbers, tables), which are provided by the lead trainer and other resource persons;
- Brainstorming sessions initiated by the trainer and involving participants will generate different ideas, active discussions at the end will help to gauge what participants have gained from the training;
- Case studies to simulate all the different step for the design of unemployment protection schemes;
- Group discussions will enable to draw from one another's experiences and ideas, to check feasibility of one's ideas from another person, to get a second opinion;
- Individual work, such as working on costing exercises;

- Group activities, such as role plays and simulations for designing schemes and negotiating the introduction of the schemes with the government; and
- Quizzes and tests will be organized to review knowledge progress on a specific thematic area or other countries' experiences; and
- Regular feedback before starting a new module.

The training manual is in the format of an electronic portfolio, enabling future trainers to share additional training material, exercises, resources, and so on.

### **Case studies**

The training manual follows the step of the design of unemployment protection measures. When applied during a training course, the trainees will be divided by groups that will simulate the design and implementation of each one of the following study cases:

**Case study # 1:** Unemployment insurance scheme, and minimum guarantee conditioned to active search of work;

**Case study # 2:** Employment insurance system, linking with active labour market policies;

**Case study #3:** Employment insurance that will extend coverage to youth through training and employment support;

**Case study #4:** Public work programmes, targeting at rural workers;

**Case study #5:** Skills development and training programmes to return to work.

It is recommended that the groups remain identical during the full duration of the training course.

### **Knowledge fair**

Ideally the knowledge fair takes place during the lunch, coffee and dinner breaks every day

The 'Knowledge fair' aims to give participants practical experience of using the **Global Extension of Social Security (GESS) platform**, finding and sharing workspaces and resources on it. A demonstration on retrieval of information from the **Social Security Inquiry (SSI) database** is also conducted. A participant may come forward and request for specific information on a country, which is then obtained by an ILO resource person. Books, publications and reports on social protection are also put on display here.

## Target audience

The training manual has been designed for the following target audience:

- Representatives of ministries and working teams involved in the planning, financing and management of social security systems in a country, in particular measures to support the unemployed and underemployed, i.e. Ministry of Labour, Social Security Institutions, Ministry of Social Development, Ministry of Women's Affairs, Ministry of Finance, Ministry of Rural Development, Ministry of Interior, Ministry of Planning, and other Ministries;
- Representatives of worker and employer associations;
- Social protection experts from UN agencies and representatives of civil society.

For better knowledge acquisition, it is recommended that the training should not include more than 30 participants.

## Session M0 (60 min):

This session includes first the delivery of the **course opening** (15 min) by the organisers, namely ILO, and its international training center, and Chulalongkorn University.

The opening remarks will be followed by an **introduction to the course** (15 min). The objective of this presentation is to give a general overview of the training course, its objectives. This presentation will also include an explanation of the content of the different modules to participants.

During the session 1, an **introduction of the participants** (15 min) is organised using a 'ice-breaking' game to help the participants to get to know one another.. Since this is the first day, the organisers may have the participants form 5 groups. The participants are asked to pick up a sheet of paper with a different number written on it. All number 1s are then grouped together, 2s together, and so on. The number of groups may vary with the number of participants. It is desirable to have a group size of 5-6 people.

Each participant introduces himself to the rest of his group by giving his name, country, organisation, and dream job, to help introduce the group and allow participants to get to know one another.

One person from each group is then nominated to introduce his group to the rest of the participants. Participants take 15 minutes to form groups and introduce themselves. The nominated persons take a total of 10 minutes to introduce their respective groups (with 1 minute per group).

This session is also held to **determine the expectations** (15 min) of the participants from the course.

The groups are then asked to note down a list of their expectations, through the use of text and diagrams in a creative manner. The organisers should distribute chart papers, coloured pens and scissors to the groups. The completed papers are pinned up on a board for participants to view at any time during the course. The groups are given 30 minutes to organise themselves and finish their list of expectations. One person from each group presents the expectations of his group. This is expected to take 15 minutes (with 2 to 3 minutes per group). Photographs taken during this session and examples of expectation lists made by participants are attached.