

APPENDIX V

Catalonia

INTRODUCTION

As part of its mission to compare European public employment services (PES), the mission chose to study the Catalan PES in Spain in a second phase, in that it:

- ◆ operates in a territory bordering France, with a higher unemployment rate (9.3%);
- ◆ is evolving in a regionalist state structure that gives the autonomous communities (equivalent to the regions) broad prerogatives, with the regional operator of the PES conceived as part of the economic development of Catalonia.

The mission focused its analysis on the Catalan PES through the five central themes of the comparison (coordination of PES actors, diagnosis of the initial situation of job seekers, support, monitoring of job search, services to companies), making use of field visits and the study of public documents or documents provided by PES actors.

The field visits in November 2022 lasted two full days, between Barcelona (headquarters of *Servei d'Ocupació de Catalunya* (SOC), the main operator, and the cities of Vic and Manlleu for field visits. The mission was able to meet with teams :

- ◆ of the main PES operator, the SOC, whether it be the management teams, thematic directors (supply, business services, evaluation), directors of an agency and some of the advisors;
- ◆ heads of municipal employment services in Barcelona and Manlleu, as well as a linked employment integration structure in the latter city.

A total of 25 people were met through interviews and presentations, in addition to visits and observation by agency advisors.

The mission then focused its qualitative and quantitative analyses on :

- ◆ analysis of internal SOC documents sent to the mission;
- ◆ analysis of public documents from the SOC, particularly relating to its offer;
- ◆ the study of legal texts (laws, royal decrees);
- ◆ A review of the economic literature in Spanish, Catalan, English and French on the Catalan and Spanish labor markets and on the impact of activation measures.

This annex is structured in two parts. The first part presents the singularity of the Catalan economic and labor market situation, especially in comparison with the rest of Spain, and provides an overview of the PES actors. The second part aims to detail the lessons learned from the mission's work on the five work themes mentioned above, highlighting both the strengths and weaknesses of the Catalan PES.

Spain's Catalonia has an unemployment rate of 9.3 percent in the third quarter of 2022. Unemployment insurance is paid by a national unemployment insurance fund, the State Public Employment Service (SEPE), for between 120 and 720 days, with a replacement rate of 50-70% of the reference wage. The allowance is capped at €1,098 for a person living alone. While non-contributory benefits then admit complex rules on the duration of coverage depending on the situation, no job seeker can be assured of receiving a subsistence income for an unlimited period.

The Spanish PES is **another example of a decentralized PES at the regional** (community) **level**, which has a number of features in common with the Flemish PES. In Catalonia, the PES is managed by an agency under the authority of the regional government, the SOC. The SOC also involves some municipalities in the implementation of some of the PES tasks, notably the municipality of Barcelona.

There are **69 local offices of the SOC** located in the four provinces of Catalonia, sharing their premises with the state compensation service (SEPE, see *above*). The information systems have been interconnected since the mid-2000s.

In the agencies, the diagnosis attached to job seekers combines the use of an algorithm and the conduct of an interview by a counselor, which makes it possible to classify the profiles into differentiated support paths. However, the large size of the portfolios for the counselors does not allow for regular follow-up of all the applicants afterwards.

The SOC employs 1,800 FTEs, in addition to nearly 1,000 FTEs employed by the state employment service (SEPE) and the few municipalities that have organized their own job-seeker services (primarily Barcelona). The SOC conducts many programs in conjunction with external service providers to place job seekers, especially vulnerable ones, in skills training. Young people, people over 45, non-English speakers and victims of sexual and gender-based violence are the main targets of these measures.

CONTENTS

INTRODUCTION.....	2
1. SOCIO-ECONOMIC CONTEXT AND ORGANIZATION OF THE PES: CATALONIA IS A RICHER AND MORE DYNAMIC REGION THAN THE REST OF SPAIN, BUT IT HAS HIGH LONG-TERM UNEMPLOYMENT, ITS PES, BASED ON THE SOC, IS REGIONALIZED.....	1
1.1. Socio-economic context: Catalonia is a rich and dynamic region with a lower unemployment rate than the rest of Spain, in a labor market that is not very tight.....	1
1.1.1. <i>Catalonia's demography is driven by immigration, as the birth rate is low</i>	1
1.1.2. <i>Catalonia is a dynamic region of Spain.....</i>	1
1.1.3. <i>The unemployment rate in Catalonia is lower than in the rest of Spain, but long-term unemployment remains high.....</i>	2
1.1.4. <i>Job seekers are eligible for unemployment insurance or assistance income.....</i>	3
1.2. Organization of the Public Employment Service (PES): the PES has been regionalized, and the main operator is now the <i>Servei d'Ocupació de Catalunya (SOC)</i> , which depends on the Generalitat de Catalunya.....	6
1.2.1. <i>In Spain, the movement to regionalize active unemployment policies led to the creation of the SOC in Catalonia in 2003.....</i>	6
1.2.2. <i>The ECCE is responsible for collecting and paying social security contributions.....</i>	11
1.2.3. <i>Municipalities can also be the local contact for job seekers, as delegated by the SOC or in addition in Barcelona.....</i>	11
2. ANALYSIS OF THE FIVE PRIORITY THEMES OF THE MISSION.....	12
2.1. Operational coordination of the different actors of the PES: the SOC is the <i>almost</i> single point of contact for active employment policies in Catalonia and has completed a physical and computerized rapprochement with the SEPE.....	12
2.1.1. <i>Despite legal segmentation, the SOC and ECCE agencies are located in the same buildings.....</i>	12
2.1.2. <i>Interoperability of NCS and ECCE information systems facilitates departmental collaboration and administrative processing efficiency.....</i>	13
2.1.3. <i>There is ongoing consultation between the SOC, the municipalities and the unions on the strategy and its territorial application.....</i>	13
2.2. Diagnosis of job seekers: the NCS uses an algorithmic questionnaire to determine the profile of job seekers.....	14
2.3. Support for job seekers: the SOC offers human support to all job seekers, with a dynamic training service offer, to the detriment of placement.....	15
2.3.1. <i>The SOC's placement activity is reduced, with almost two thirds of new Catalan jobs in 2021 not going through the SOC.....</i>	15
2.3.2. <i>The redirection of job seekers to continuing or vocational training programs is developed through multiple programs.....</i>	16
2.3.3. <i>Specific programs exist for vulnerable populations: young people, people over 45, people subject to discrimination.....</i>	16
2.3.4. <i>The issue of peripheral brakes is poorly addressed.....</i>	17

2.4. Control of job search: there is little control of actual job search, but the obligation to periodically re-register administratively leads to the <i>de facto</i> suspension of benefits for around 10% of Catalan jobseekers receiving benefits each year	17
2.4.1. <i>National law sets out the obligations of job seekers</i>	17
2.4.2. <i>Since 2003, the regional employment service has been responsible for monitoring obligations and formulating sanctions</i>	19
2.4.3. <i>Sanctions process takes a minimum of 35 days</i>	19
2.4.4. <i>In normal times, one out of every 300 compensated jobseekers is sanctioned for not participating in activation programs, but nearly 1 out of 10 experiences a financial sanction for not renewing their claim</i>	19
2.5. Business services: the coexistence of digital services and mixed business-ED teams in the branches	20

1. Socio-economic context and organization of the PES: Catalonia is a richer and more dynamic region than the rest of Spain, but has high long-term unemployment. Its PES, based on the SOC, is regionalized

1.1. Socio-economic context: Catalonia is a rich and dynamic region with a lower unemployment rate than the rest of Spain, in a labor market that is not very tight

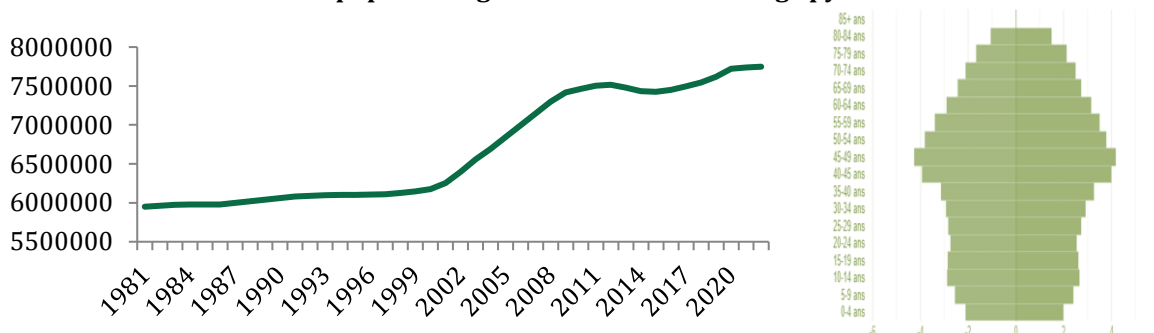
1.1.1. The demography of Catalonia is driven by immigration, the birth rate being low

The population of Catalonia will be 7.7 million in 2022, concentrated in a territory of 31,950 km². The population density is 240 inhabitants per km² (105.9 inhabitants per km² in France and 93 inhabitants per km² in Spain). The population of Catalonia represents 18% of the Spanish population in 2022.

With a low birth rate (7.5% compared to 10.9% in France), the growth of the Catalan population has been due to immigration since the beginning of the decade (cf. chart 1). Net migration in Catalonia was thus 10.4 per 1,000 inhabitants in 2018 (7.1 per 1,000 inhabitants in Spain). The total Catalan population was composed of 16.2 percent foreigners in 2021¹.

The population of Catalonia has grown by almost 30% between 1981 and 2021.

Chart 1 Catalan population growth since 1981 and age pyramid in 2022



Source: countryeconomy.com; Idescat.

1.1.2. Catalonia is a dynamic region of Spain

In 2021, Catalonia accounted for 20% of Spain's gross domestic product (GDP), making it the richest region in Spain. In 2021, Catalonia's GDP per capita is €31,509, 24% higher than in Spain (€25,419) and 7.6% lower than in France (€34,100).

The evolution of the structure of employment in Catalonia is similar to that of other European states:

- ◆ a slower growth in agricultural employment with a decrease in the relative share of agriculture in the total wealth production of Catalonia since 2000;
- ◆ a region that has turned heavily to the tertiary sector, which accounts for 67.7% of the wealth produced in 2021 (cf. table 1) and which accounts for 75% of employment (cf. table 2).

¹ National Institute of Statistics (INE)

Appendix V

From the 2000s onwards, Catalonia has experienced a strong tertiarization of its economy, with growth in wealth produced by the services sector rising sharply (+228.5% in 2021 compared with 2020, see Table 1). Catalonia benefits from a strong contribution from tourism, which accounts for around 12% of its GDP, and from its industry (21.5% of GDP, thanks in particular to the automotive industry²). This economic dynamism has been severely affected by the Covid-19 health crisis, but the Catalan economy is expected to recover in 2021.

Table 1 Breakdown of Catalonia's GDP (in billions of euros)

	Agriculture	Industry	Construction	Services	Total
GDP in 2000	1,942	31,331	10,996	72,285	127,605
GDP in 2021	2,18	45,462	11,359	165,197	244,172
Evolution over the period 2000-2021	+112,3 %	+145,1 %	+103,3 %	+228,5 %	+191,3 %
Share in total GDP (2021)	0,9 %	18,6 %	4,7 %	67,7 %	100 %

Source: Idescat.

Table 2 Total employment (in thousands) by sector and Catalonia's share of total employment in the third quarter of 2022

	Agriculture	Industry	Construction	Services	Total
Catalonia (1)	51,6	603,8	218,9	2 685,5	3 559,9
Spain (2)	729,0	2 809,8	1 328,8	15 678,2	20 545,7
(1)/(2)	7,1 %	21,5 %	16,5 %	17,1 %	17,3 %

Source: Idescat.

The region is exposed to rising energy costs. *BBVA Research* estimates that around 35% of Catalan GDP is highly exposed to changes in oil prices (including construction, industry and airport tourism) and that the impact for 2022 and 2023 could be a decline in Catalan GDP growth of -1.3%.

1.1.3. Unemployment in Catalonia is lower than in the rest of Spain, but long-term unemployment remains high

In the third quarter of 2022, the unemployment rate for those over 16 is 9.31 percent, compared with 12.67 percent in Spain (see table 3)³. The economic dynamism of the region keeps the unemployment rate below the Spanish rate (cf. graph 2) since at least the early 2000s.

² Catalan statistical portal GENCAT - <https://economia.gencat.cat/ca/ambits-actuacio/economia-catalana/trets/estructura-productiva/sector-industrial/>

³ This is the definition of unemployment used by Idescat: people of working age (at least 16 years old), without work, available on the labor market and looking for a job. That is, Idescat uses the same definition of unemployment as the ILO.

Appendix V

Table 3 Employment and unemployment rates in Catalonia in the third quarter of 2022

	Men	Women	Total Catalonia	Spain	France
Employment rate	61 %	51 %	56 %	51 %	73 %
Unemployment rate	8,5 %	10,1 %	9,3 %	12,7 %	7,3 %
Long-term unemployment rate	4,0 %	5,7 %	4,8 %	6,2 %	2,3 %

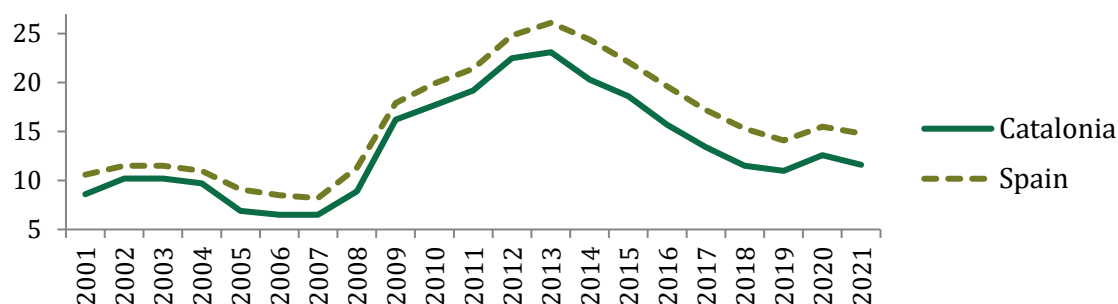
Source: Idescat.

Note: the long-term unemployment rate indicates the share of the working-age unemployed in the labor force who have been unemployed for at least 12 months

Unemployment affects the Catalan population unequally:

- ◆ **the unemployment rate for the under-25s is 3.3 times higher (25.7 percent in 2022) than for the 25-54 age group (see Table 4). table 4) ;**
- ◆ unemployment affects women more than men (see Table 3). table 3) ;
- ◆ Long-term unemployment affects women more than men (cf. table 3).

Graph 2 Unemployment rate since 2001



Source: INE, Idescat.

Table 4 Breakdown of unemployment by age group in the third quarter of 2022

	Under 25 years old	25-54 years old	Over 54 years old	Total
Catalonia	25,70 %	7,85 %	6,42 %	9,31 %
Spain	31,01 %	11,40 %	10,48 %	12,67 %

Source: Idescat.

1.1.4. Job seekers are eligible for unemployment insurance or assistance income

1.1.4.1. The unemployment insurance system allows for a compensation period of 120 to 720 days

In Spain, unemployment insurance (*prestacion por desempleo*) is available to all persons affiliated to the Spanish social security system. This benefit is managed by the national body of the Spanish public employment service, the SEPE. In order to receive unemployment insurance, the job seeker must meet certain requirements:

- ◆ the job seeker must be affiliated to the social security system and have a period of affiliation of at least 360 days during the six years preceding unemployment, a criterion that is easier to meet than in most of the countries under review;
- ◆ The unemployed person must be registered as a job seeker with the PES, be unemployed, available and actively seeking employment;

Appendix V

- ◆ the job seeker must not be self-employed or employed, even part-time.

The duration of unemployment insurance coverage depends on the length of time the individual has contributed to unemployment insurance during the six years preceding unemployment (see Table 5). The duration of compensation is progressive according to the duration of contributions to unemployment insurance.

Table 5 Duration of compensation according to the duration of contributions to unemployment insurance

Length of contribution to unemployment insurance	Duration of compensation (in days)
360 to 539 days	120
540 to 719 days	180
720 to 899 days	240
900 to 1079 d	300
1080 to 1259 d	360
1260 to 1439 d	420
1440 to 1619 d	480
1620 to 1799 d	540
1800 to 1979 j	600
1980 to 2159 d	660
> 2159 j	720

Source: Unédic, SEPE.

The amount of unemployment insurance is calculated by applying a replacement rate to the gross salary received before unemployment. The reference salary corresponds to the gross salary received by the job seeker during the 180 days prior to becoming unemployed. The amount of unemployment insurance is degressive:

- ◆ during the first 180 days of compensation, the amount of unemployment insurance is equivalent to 70% of the reference salary;
- ◆ from the 181^{ème} day of unemployment compensation, the amount of unemployment insurance is equal to 50% of the reference salary.

However, a minimum and a maximum amount of unemployment insurance are applied that are significantly lower than those existing in the other countries under review. (cf. table 6).

Table 6 Unemployment insurance amounts are limited by a minimum and maximum amount

Status of the job seeker	Amount of the allowance	
	Minimum amount	Maximum amount
No children	501,98 €	1 098,09 €
With 1 child	671,40 €	1 254,96 €
With 2 children	671,40 €	1 411,83 €

Source: Unédic.

Appendix V

Box 1 The financing of unemployment insurance

Unemployment insurance is financed by compulsory contributions levied throughout an employee's working life. These contribution rates vary according to the type and parties to the employment contract (cf. table 7).

The unemployment insurance system is managed at the national level, not at the regional level. The state finances the unemployment insurance system if it is out of balance (if unemployment insurance expenditures exceed total contributions collected).

Table 7 Unemployment insurance contribution rates by employment contract

Unemployment insurance contribution rate	Employer's share	Salary share	Total
CDI	5,50 %	1,55 %	7,05 %
CDD	6,70 %	1,60 %	8,30 %

Source: Unédic.

Source: Unédic.

In December 2019, 892,622 people were receiving unemployment insurance in Spain and 149,255 people receiving unemployment insurance in Catalonia on the same date (16.7% of total beneficiaries)⁴.

1.1.4.2. The subsidio por desempleo is aimed at unemployed people who have reached the end of their entitlement

In Spain, the *subsidio por desempleo* is given to unemployed people who have exhausted their rights to unemployment insurance. This benefit is managed by the national body of the Spanish public employment service, the SEPE. The rights are therefore open:

- ◆ Persons under 65 years of age who are registered as job seekers with the PES, unemployed, available and actively seeking employment;
- ◆ to persons who have contributed for at least three months ;
- ◆ if the income does not exceed 75% of the minimum wage (SMI, set by decree at €1,000 per year for 2022);
- ◆ if the unemployed person meets the conditions for unemployment insurance, while having exhausted his or her rights.

At the end of unemployment insurance rights, the *subsidio* is not automatic. The job seeker must apply to the ECCE for the opening of the rights.

The *subsidy* is paid for as long as the beneficiary is unemployed and for a period of 3 to 21 months⁵ depending on previous contributions, or until the legal retirement age for people over 52⁶. The monthly amount of this benefit is 80% of the Public Indicator of Multiple-Effects Income (IPREM). This indicator is set annually by decree. For the year 2022, the IPREM is set at €579.02 per month and €6,948 per year. That is to say, the monthly amount of the *subsidio* is set throughout Spain at € 463 for the year 2022.

⁴⁴ December 2019 ECCE Statistics Report

⁵ ECCE's information page on the *subsidy por desempleo*

⁶ *Ibid.*

1.1.4.3. The Active Insertion Income (RAI) is the main social minimum in Spain

In Spain, the Active Insertion Income (RAI) is intended for all those who have never received the *benefit or subsidy*: those who have contributed for less than three months or those who have just arrived in the country, for example. Thus, the conditions are :

- ◆ be under 65 years of age, registered as a job seeker with the PES, unemployed, available and actively seeking employment;
- ◆ not have an income exceeding 75% of the minimum wage (SMI, set by decree at €1,000 per year for 2022);
- ◆ sign an "activity commitment" with the State Employment Service (SEPE)⁷.

The RAI is paid for a period of up to 11 months⁸.

In December 2019, 757,958 people were receiving the RAI in Spain and 99,409 people were receiving the RAI in Catalonia on the same date (13 percent of total beneficiaries). The method of calculation is identical to the "*subsidio*", so the distinction between the two benefits is comparable to the distinction, from an individual perspective, that exists in France between the Allocation de Solidarité Spécifique (ASS)⁹ and the Income de Solidarité Active (RSA).

1.2. Organization of the Public Employment Service (PES): the PES has been regionalized, and the main operator is now the *Servei d'Ocupació de Catalunya (SOC)*, which depends on the Generalitat de Catalunya

1.2.1. In Spain, the movement to regionalize active unemployment policies led to the creation of the SOC in Catalonia in 2003

1.2.1.1. In Spain, the National Institute for Employment (INEM) was responsible for active policies and benefits between 1978 and 2003

The first compulsory unemployment insurance scheme dates back to 1961, when only mutual insurance through corporations existed¹⁰.

⁷ ECCE Activity Commitment Page - <https://www.sepe.es/HomeSepe/Personas/distributiva-prestaciones/compromiso-actividad.html>

⁸ ECCE website page on the RAI - <https://www.sepe.es/HomeSepe/Personas/distributiva-prestaciones/he-dejado-de-cobrar-el-paro/no-tengo-prestacion>

⁹ Page of the Pôle Emploi website dedicated to this allowance - <https://www.pole-emploi.fr/candidat/mes-droits-aux-aides-et-allocati/aides-financieres-et-autres-allo/autres-allocations/lallocation-de-solidarite-specif.html>

¹⁰ UNEDIC note on unemployment compensation in Spain, 2020 - <https://www.unedic.org/sites/default/files/2020-12/Etude%20-%20Indemnisation%20du%20chomage%20en%20Espagne.pdf>

Appendix V

In 1978, Article 5 of the Royal Decree-Law (*Real Decreto-Ley*)¹¹ on the institutional management of social security created the National Institute for Employment (INEM), which gradually extended its prerogatives. The creation of the INEM is part of the "Pacts of Moncloa", the agreements signed after the end of Francoism between the government of the constituent legislature, the main political parties represented in the *Cortes Generales* (Parliament) and the trade union *Comisiones Obreras* (Workers' Commissions). In 1980, 1984 and 1986, laws were passed to clarify its prerogatives¹². The 1986 law linked the special schemes to the single unemployment insurance fund managed by INEM. Finally, the Royal Decree of 6 June 1986 sets out the statutes of the INEM, which, under Article 2, is responsible for placement, mediation, training, compensation and sanctions¹³.

Nevertheless, a transfer of competences, first discussed prior to the conclusion of the 1992 "autonomous pacts", was initiated in 1995¹⁴ and led to the law of June 5, 2003¹⁵ completing the transfer to the autonomous communities of the competence of active employment policies¹⁶. In Catalonia, the SOC was created by a law passed by the Catalan Parliament in 2002 and promulgated by the President of the *Generalitat*, "in the name of the King.

1.2.1.2. The SOC is now responsible for all active employment policies, with the exception of high school and student orientation

The regional law of 2002 and the national law of 2003 establishes the different missions of the SOC, which are¹⁷:

- ◆ professional information;
- ◆ career guidance;
- ◆ intermediation and placement ;
- ◆ professional training;
- ◆ entrepreneurship of job seekers and business support;
- ◆ *upskilling* of job seekers and employees.

¹¹ Spanish Official Bulletin, Decree of November 16, 1978- <https://www.boe.es/buscar/doc.php?id=BOE-A-1978-28739>

¹² UNEDIC note on unemployment compensation in Spain, 2020 - <https://www.unedic.org/sites/default/files/2020-12/Etude%20-%20Indemnisation%20du%20chomage%20en%20Espagne.pdf>

¹³ Spanish Official Bulletin, Decree of 6 June 1986 - <https://www.boe.es/buscar/doc.php?id=BOE-A-1986-18897>

¹⁴ UNEDIC note on unemployment compensation in Spain, 2020 - <https://www.boe.es/buscar/doc.php?id=BOE-A-1978-28739>

¹⁵ Spanish Official Bulletin, Law of June 5, 2002 - <https://www.boe.es/buscar/doc.php?id=BOE-A-2002-14988>

¹⁶ State Employment Service (SEPE) page on skills transfers - Servicio Público de Empleo Estatal SEPE. "[Servicio Público de Empleo Estatal. Transferencias de la gestión](https://www.sepe.es)". www.sepe.es.

¹⁷ Spanish Official Bulletin, Law of June 5, 2002 - <https://www.boe.es/buscar/doc.php?id=BOE-A-2002-14988>
Spanish Official Bulletin, Decree of 6 June 1986 - <https://www.boe.es/buscar/doc.php?id=BOE-A-1986-18897>

Appendix V

1.2.1.3. *The SOC is at the service of the Catalan government but operates autonomously*

Since 2002, the SOC has been an autonomous body of an administrative nature of the *Generalitat de Catalunya*: it falls under Article 42-1 of the Law on the Organization and Functioning of the General Administration of the State of April 15, 1997 (LOFAGE) on public law entities with management autonomy, but dependent on a national ministry or an autonomous community¹⁸. In this case, the SOC depends on the Department of Labor of the *Generalitat de Catalunya*¹⁹. The law of July 9, 2015, specifies that the department does not exercise strategic direction of the SOC but ensures its control and guarantees its evaluation²⁰.

The director of the SOC is appointed by decision of the regional government²¹. He then chooses his teams of thematic sub-directors (e.g. youth, active policies, territorial development).²²

The SOC's 16-member board of directors includes representatives of employers and employees, as well as the regional government. Article 6 of the regional law of July 9, 2015, regulating the public employment service in Catalonia requires the SOC to define a multi-annual strategy, which must then be validated by the regional government and presented to the regional parliament (cf. box 2).

Box 2 SOC Strategic Plan 2022-2027

The SOC 2022-2027 strategic plan was adopted at the end of 2021, following work involving a "citizen's committee," social and solidarity economy structures, and the SOC Board of Directors.

He listed six major problems to be solved in the coming years which are:

- polarization of the labor market;
- the need for ecological transformation of the Catalan production model;
- the need for new qualifications for the workforce in this regard;
- the expectations of the workforce in terms of quality of work;
- the risk of market exclusion of vulnerable populations;
- the need to increase the labor force;
- From these challenges, eight major objectives were defined;
- Strengthen support for vulnerable people;
- Strengthen employer support;
- strengthen territorial cooperation;
- promote entrepreneurship;
- promote a performance culture within the SOC;
- improve transparency;
- improve the evaluation of devices ;
- improve the productivity of certain sectors.

Source: Presentation to the mission, November 2022.

¹⁸ Spanish Official Bulletin, Decree of 15 April 1997 - <https://www.boe.es/buscar/act.php?id=BOE-A-1997-7878>

¹⁹ Official SOC organization chart, SOC website - <http://sac.gencat.cat/sacgencat/AppJava/organigrama.jsp?codi=4925&jq=200001>

²⁰ SOC Annual Report 2021, p. 4 - https://serveiocupacio.gencat.cat/web/.content/01_SOC/01_Qui-som-i-que-fem/Informe_Anual_SOC_2021.pdf

²¹ Press release of the *Generalitat*, September 2021 - <https://govern.cat/salaprensa/notes-premsa/414053/el-govern-nomena-juan-jose-torres-nou-director-del-servei-public-d-ocupacio-de-catalunya>

²² Official SOC organization chart, SOC website - <http://sac.gencat.cat/sacgencat/AppJava/organigrama.jsp?codi=4925&jq=200001>

1.2.1.4. The SOC is present in all provinces and has an agency in one out of twelve municipalities

In addition to the central services, the SOC is organized into seven territorial services (Barcelona North and South, Central Catalonia, Girona, Lleida, Tarragona, Terres de l'Ebre), so that each subdivision is responsible for a comparable number of job seekers. The province of Barcelona is the most populated (5.6 million inhabitants out of the 7.5 million in the autonomous community), which explains why a different organization of the state administrative division was chosen.

The SOC has 69 branches in Catalonia²³ , located in the four provinces (Girona, Lleida, Barcelona, Tarragona), out of the 947 municipalities in Catalonia. Thus, one in twelve municipalities has a SOC branch.

The density of the territorial network is close to that observed in France: there is one agency for every 5,828 jobseekers, compared to one for every 5,725 in France, as well as one agency on average for a territory of 457 square kilometers, compared to one for every 600 square kilometers in France²⁴ even though the population density in Catalonia is twice that of France and the proportion of unemployed is higher.

All of the SOC's agencies house the local reception points of the ECCE, which is responsible for compensation matters (see 2.1). The agencies are small, with an average of 14 FTEs²⁵ .

The SOC also has eight internal thematic professional innovation and training centers (CIFO). Five are located in the province of Barcelona, the other three in the other three provinces (Girona, Lleida, Tarragona). 5,000 people, or 1% of those enrolled, benefited from their teaching in 2021.

1.2.1.5. The SOC has 1,800 FTEs, 57% of which work in the agencies

The SOC will have 1,799 employees in 2021 for approximately 369,000 registered and 220,000 compensated workers²⁶ , or one FTE for 205 registered jobseekers and 122 compensated workers, a low figure compared to European comparators. In comparison, the mission counted one FTE for every 14 registered claimants in the German system (for those receiving contributory unemployment benefits) and one FTE for every 53 registered claimants at Pôle emploi²⁷ .

Of these 1,799 employees, 57% (1,026) work in the SOC's agencies, with the remainder working in training centers, at headquarters, or in the regional offices (see Table 8). table 8).

²³ Cross-referencing of information obtained from the specialized website "prestacion por el desempleo" and the official website of ECCE - <https://www.sepe.es/HomeSepe/que-es-el-sepe/que-es-el-sepe/Red-de-oficinas/ResultadosBusqueda> and <https://www.prestacionpordesempleo.es/cita-anterior-soc/>

²⁴ Calculations based on the number of compensated SOC enrollees, which is 408,000 according to November 2022 ECCE figures.

²⁵ Figure of 1,026 FTEs working in agencies reported in the 2021 Annual Report, divided by the number of 69 agencies.

²⁶ SEPE figures, November 2022, including 221,000 on contributory unemployment insurance.

²⁷ Figures taken from the report of the General Inspectorate of Finance (IGF) evaluating the tripartite agreement between the State, Pôle Emploi and the National Interprofessional Union for Employment in Industry and Commerce (UNEDIC).

Appendix V

Table 8 Distribution of full-time equivalents in the NCS in 2021, by status and function

Number of full time equivalents	Year 2021
Total	1 799
<i>of which state employees</i>	585
<i>of which Generalitat status</i>	1 106
<i>of which private law status</i>	543
<i>of which working in agencies</i>	1 026
<i>of which working in training centers, at headquarters and in territorial management</i>	773

Source: SOC annual report.

The SOC estimates that 2,500 "employees" employed by third-party entities will contribute to its mission in 2021, in *coaching* or training activities²⁸, which shows that outsourcing is significant compared to the other countries under review.

1.2.1.6. The so-called activation expenses of the SOC represent only 9% of the benefits paid, compared to 30% in Germany

The SOC has a budget in 2022 of €470.7 million, which is about 0.2% of Catalonia's GDP, of which only 19.2% corresponds to personnel costs (see Table 9). This budget does not include unemployment benefits, which are the responsibility of the state public employment service (SEPE). Current transfers represent 68.2 percent of total expenditure in 2021. They correspond, by approximation, to all so-called "active" expenditures.

The accounting guide of the School of Public Administration of Catalonia defines "current transfers" as "*transfers, subsidies and grants that the recipient will use to finance its current operations*"²⁹. This subtotal therefore includes the share of subsidies granted directly to job seekers, or to the SOC's internal training centers (about €8 million in 2021, or minus 2% of expenditure).³⁰

Table 9 SOC expenditures by nature (in millions of euros) in 2021

Type of expenses	Total	Share
Staff	90,3	19,2 %
Current Expenses	58,3	12,4 %
Financial expenses	0,0	0,0 %
Grants	320,9	68,2 %
Investments (real estate, IT)	1,2	0,2 %
Total	470,7	100%

Source: 2021 annual report.

The SOC's resources come from the *Generalitat's* own funds (30% in total, mostly for subsidized activation expenses), the Spanish State (49%) and the European Social Fund (21%). The use of the funds is directed by the funder³¹.

²⁸ Annual Report 2021, *op.cit.*

²⁹ Accounting information applicable to the *Generalitat* and its entities on the website of the School of Public Administration of Catalonia - <https://formaciooberta.eapc.gencat.cat/contingutsdels cursos/gp/060.html>

³⁰ *Ibid.*, pp. 17-18, adding up the amounts for the OFIC and APTC programs.

³¹ Presentation to the mission, November 2022.

1.2.2. The ECCE is responsible for the collection of social security contributions and the payment of contributions

The law of December 16, 2003, redefined the national employment system by creating the *Servicio Público de Empleo Estatal* (SEPE, State Public Employment Service), replacing the INEM, which was definitively dissolved in 2008³².

The SEPE retains the financial functions of compensation and collection of social unemployment insurance contributions, which in Spain are due to the state and not to a social security organization (OSS). The SEPE is also responsible for statistics on job seekers and their compensation in Spain³³.

The SEPE has a national network of contact points located in the same geographical area as the regional employment service agencies. In Catalonia, all of these contact points are located within the SOC offices³⁴.

The mission estimates the number of FTEs employed by ECCE in Catalonia at approximately 623³⁵,

1.2.3. Municipalities can also be the local contact for job seekers, as delegated by the SOC or in addition to Barcelona

During its visit to Catalonia, the mission found that some municipalities provide the same job seeker orientation and placement services as the SOC. In these cases, the ECCE compensation service is not located on the same site. The mission does not have consolidated information on these services offered by the municipalities in Catalonia.

The mission observed two different situations:

- ◆ the cases of municipalities (e.g. in the city of Manlleu, in central Catalonia) that have, in agreement with the SOC, their own agencies and certain programs of their own (e.g. supported employment in a social economy structure, see box 3)³⁶. The mission was unable to obtain an aggregate view of this phenomenon at the level of Catalonia;

³² Spanish Official Bulletin, Decree of 6 June 1986 - <https://www.boe.es/buscar/doc.php?id=BOE-A-1986-18897>

³³ See an example of monthly statistics - https://sepe.es/ca/SiteSepe/contenidos/que_es_el_sepe/publicaciones/pdf/pdf_sobre_el_sepe/2021/Informe-Anual/Informe-Anual-SEPE-2020-Resumen.pdf

³⁴ ECCE site crossing and interview with the SOC leadership team in November 2022.

³⁵ The mission does not have precise information on the number of SEPE staff in charge of managing benefits in Catalonia. The Catalan business press reports on the recruitment difficulties of the SEPE and indicates that in 2021 the province of Barcelona has 449 SEPE employees. Since the province of Barcelona represents 72% of the Catalan population, the number of FTEs in the Catalan region is estimated at 623, considering that the coverage rate is equal in the province. See <https://cronicaglobal.elpañol.com/business/sepe-desangra-barcelona-33-plantilla-sin-cubrir-692756-102.html>
<https://www.idescat.cat/indicadors/?id=aec&n=15223&lang=es>

³⁶ Mission visit in November 2022.

Appendix V

- ◆ Barcelona, where the city founded *Barcelona Activa*, which offers even more comprehensive services on active policies than the SOC (career guidance for graduates is one of them) in the same geographical area. The *Barcelona Activa* agency is also responsible for the city's economic development, so its action is not limited to the public employment service³⁷. Nevertheless, the services of the SEPE are not adjacent to those of *Barcelona Activa* in its four branches, and the information systems of the two entities are not interconnected. The mission estimates the number of FTEs in *Barcelona Activa*³⁸ in 2021 at 463.

Box 3 Visit to Manlleu (Catalonia) on November 28, 2022

The mission went on November 28, 2022 to Manlleu, in Catalonia, in the province of Barcelona. Manlleu is located about ten kilometers from Vic, the location of the nearest SOC/SEPE agency. The area is rural. In agreement with the SOC, the Municipality of Manlleu and its Department of Labor have created a Labor and Training Office with :

- an appointment link for interviews with job seekers. It is a library transformed every Monday into an interview place;
- a *coworking* space accessible to job seekers wishing to create a business. This space also welcomes companies from the social and solidarity economy.

Job seekers who are seen by the agency staff prefer to have counselling closer to home, as they find it difficult to get to the OCS office in Vic. City counsellors can refer applicants to city programs - city training, subsidized employment - or to OCS programs.

There is no interoperability between the municipal and NCS information systems, nor is there an organized exchange of data.

Source: Manlleu City Hall website; mission visit in November 2022.

2. Analysis of the five priority themes of the mission

2.1. Operational coordination of the different actors of the PES: the SOC is the quasi single window of the active employment policies in Catalonia and has completed a physical and computerized rapprochement with the SEPE

2.1.1. Despite legal segmentation, the SOC and ECCE agencies are located in the same buildings

Each of the NCS agencies houses the ECCE department, usually located on the same level in the agency³⁹. From a visual point of view, each of the entities has signs indicating their mission ("reception", "counselor", "compensation"), and not the name of the legal entity. This is a factor of simplicity for the user of the public service seeking employment, who can make an appointment to apply for compensation and for career guidance in the same half-day.

³⁷ Presentation to the mission, November 2022.

³⁸ Article from the specialized website *ViaEmpresa* - https://www.viaempresa.cat/territori/barcelona-activa-contentraccio-temporalitat_2155311_102.html

³⁹ Visit to Vic and Barcelona of the mission, November 2022.

This joint presence of state compensation services and the regional employment service facilitates the registration of people who are far from employment. In fact, people who are able to work but have not paid enough unemployment insurance contributions, and who are therefore eligible for *subsidies* and then for the minimum integration income (*minima sociaux*, cf. 1.1.4) must also apply to the ECCE.

2.1.2. Interoperability of NCS and ECCE information systems facilitates departmental collaboration and administrative processing efficiency

The Public Employment Services Information System (SISPE) is one of the instruments of the "national employment system", as established in article 7.2 of the law of 16 December 2003. The law assigns to the SISPE the function of ensuring coordination with the regional employment services, paying "*particular attention to the coordination between active policies and unemployment benefits*"⁴⁰.

This coordination requires at least common data for all regional employment services, updated and validated according to shared rules to guarantee the reliability of national indicators, as well as uniform management procedures⁴¹.

In the Catalan case, the interoperability of the IS has been achieved, and collaboration is not limited to data exchange.

In fact, the autonomous communities responsible for active policies in Spain use three types of information systems to manage their public: CEUS, TAURO and SICAS. Catalonia, Castilla, Galicia and Andalusia use SICAS, which is the most interoperable with the SEPE information system, SISPE⁴² through a correspondence language developed in the 2000s.

Thus, the SOC has access to ECCE information (work history, family data, etc.) to guide the counselor's action⁴³.

2.1.3. There is continuous consultation between the SOC, the municipalities and the unions on the strategy as well as on its territorial application

As described in 1.2.1.3 the SOC's five-year strategy is developed in consultation with the main trade unions, businesses - particularly in the social and solidarity economy sector - and municipalities, in accordance with the 2015 law.

At the sub-regional level, the principle of territorial consultation is established by Article 15 of the Law of July 9, 2015 reorganizing the Catalan Public Employment Service. This consists of introducing planning at the level of six territorial areas of Catalonia through territorial agreements between the SOC and the territorial authorities. In the sixth paragraph of Article 15 of the Law of July 9, 2015, it is established that the territorial agreement must include diagnosis, coordination, integration and planning proposal. The town halls, unions and associations are associated in each territorial area.

⁴⁰ I. Criado Gomez, "Sispe: interconexion de los sistemas de los servicios de empleo estatal y autonomicos", Technimap, 2004 - https://administracionelectronica.gob.es/pae_Home/dam/jcr:83dc6983-d6dc-4a78-990a-8f435c071c46/2_014.pdf

⁴¹ *Ibid.*

⁴² Presentation to the mission, November 2022.

⁴³ Visit to the SOC agency in Vic, November 2022.

The municipality of Barcelona has a special role as the main metropolis of the region. A "framework agreement" was signed prior to the conclusion of the regional strategy at the end of 2021, while a specific territorial consultation "Barcelona North and South" takes place every three years⁴⁴. In addition, the mission's interlocutors highlighted a constant informal dialogue between *Barcelona Activa* and the SOC. However, the geographical overlap between the SOC and *Barcelona Activa* agencies remains, and to the mission's knowledge, there are no plans for a geographical division of roles in the future.

2.2. Diagnosis of job seekers: the SOC uses an algorithmic questionnaire to determine the profile of job seekers

Registration with the NCS can be done in three ways: at a branch, by phone or online, with the presentation of necessary documents, especially if the applicant is receiving a contributory allowance⁴⁵.

Once the application is validated, an orientation interview ("*derivacio*") by specialized counselors aims to carry out a diagnosis of employability, following a series of questions designed to assess:

- ◆ the ideal profession;
- ◆ Work experience (using the *resume* and subsidiary questions);
- ◆ general life experience;
- ◆ level of training;
- ◆ job search appetite;
- ◆ linguistic skills, in Catalan and Spanish;
- ◆ digital skills.

In addition, criticality factors (a function of the counselor's personal assessment) and preference factors (a function of the wishes expressed by the job seeker) are identified.

An algorithm gives scores out of ten in each of the headings (communicated to the applicant), to ultimately assign the applicant a profile. There are seven profiles, which are :

- ◆ fairly employable person (category A);
- ◆ person whose employability is unstable (B);
- ◆ person with employability deficits (C);
- ◆ person with a project but still far from achieving it (D);
- ◆ person with multiple career goals (Z);
- ◆ allophone person (E) ;
- ◆ unfit for work (R6).

In the agency, a breakdown of profiles by type of advisor⁴⁶ will be made, with the advisor specializing in category A generally being the main contact for companies.

⁴⁴ Annual Report 2021, p. 41 - https://serveiocupacio.gencat.cat/web/.content/01_SOC/01_QUI-som-i-que-fem/Estrategia-per-locupacio/Pla-de-Desenvolupament-de-Politiques-dOcupacio-de-Catalunya-PDPO/04PDPO_2021_2022_Vfinal.pdf

⁴⁵ Presentation to the mission, November 2022.

⁴⁶ Visit to the Vic agency, November 2022.

Appendix V

Box 4 The NCS algorithm used to perform diagnostics

The predictive model uses three types of data which are:

- structural data on the economy and the labor market, updated by the SOC teams. For example, an improvement in the labor market and an increase in labor market stress will shift the boundaries of employability;
- personal data, assessed by the counselor, using data from the State Employment Service (SEPE), which is responsible for benefits, as well as *in vivo* ;
- professional skills data, collected through documents brought or uploaded to the applicant's space by the job seeker (e.g., *curriculum vitae*), as well as *through* the "Q" questionnaire.

A project was launched internally, in collaboration with a laboratory of the Autonomous University of Barcelona and the Catalan School of Public Administration, to better take into account the variable social capital, i.e. social capital and soft skills.

Source: presentation to the mission in November 2022; mission.

2.3. Support for job seekers: the SOC offers human support to all job seekers, with a dynamic training service offer, to the detriment of placement

2.3.1. The SOC's job placement activity is reduced, with almost two-thirds of new Catalan jobs in 2021 not going through the SOC

The number of staff dedicated to placement is limited. Indeed, as mentioned in 1.2.1.5 The SOC has one FTE for every 250 registered job seekers and 200 receiving benefits. In comparison, the mission counted one FTE for every 14 registered jobseekers receiving compensation in the German system (for those receiving contributory unemployment benefits) and one FTE for every 53 registered jobseekers at the Pôle emploi. Of these 1,028 agency FTEs, the mission was unable to estimate precisely the share devoted to placement.

Therefore, it is materially difficult for the SOC to become more proactive in the matching process. While approximately 700,000 new contracts were signed in 2021 in Catalonia (of which 200,000 were undefined)⁴⁷ in Catalonia⁴⁸, the SOC listed only 40,000⁴⁹ offers in total in 2021 on its site. In comparison, Pôle Emploi posted 10.3 million offers on its site in 2021⁵⁰, while 22.1 million contracts were signed in France in 2021⁵¹.

⁴⁷ *Barcelona Activa* study. However, there is a bias in that a part of these contracts, not quantified by the mission, correspond to simple renewals of employees under the same conditions, situations that do not lend themselves to a competitive process of search for workers - https://treball.barcelonactiva.cat/porta22/images/cat/Breu%20Contractacio%20a%20Barcelona%20Marc%202022_tcm9-53603.pdf

⁴⁸ Commentary article on the figures of the Spanish National Institute of Statistics (INE), produced by the continuing education company AENOA - <https://aenoa.com/situacion-actual-mercado-de-trabajo-balance-mercado-laboral/>

⁴⁹ Annual Report 2021, p. 9 - https://serveiocupacio.gencat.cat/web/.content/01_SOC/01_QUI-som-i-que-fem/Informe_Anuar_SOC_2021.pdf

⁵⁰ Page of the Pôle Emploi website dedicated to statistical releases - <https://statistiques.pole-emploi.org/offres/offresp/209317>

⁵¹ Indicators of the Directorate for Research, Studies and Statistics (DARES) for the year 2021 - <https://dares.travail-emploi.gouv.fr/publication/les-embauches-et-les-fins-de-contrat-repartent-la-hausse-au-1er-trimestre-2021> - <https://dares.travail-emploi.gouv.fr/publication/les-embauches-et-les-fins-de-contrat-continuent-de-progresser-au-2e-trimestre-2021> - <https://dares.travail-emploi.gouv.fr/publication/au-3e-trimestre-2021-les-embauches-retrouvent-leur-niveau-davant-la-crise-sanitaire> - https://dares.travail-emploi.gouv.fr/sites/default/files/adc1945b425fb0b1d0379baac5569536/DI_MMO_2021T4.pdf

In addition, the level of tension in the Catalan labor market is currently moderate compared to other European regions. The number of vacancies in July 2022 was equal to only 8% of the number of unemployed people receiving benefits (around 30,000⁵² compared to more than 400,000⁵³, half of whom have been unemployed for more than a year).

2.3.2. The redirection of job seekers to continuing education or vocational training programs is developed through multiple programs

During its visits to agencies, the mission noted that if the diagnosis did not result in the job seeker being classified in category A (cf. 2.2)⁵⁴, a *coaching* or training proposal was made.

With respect to training, the SOC counts 47,466 participants in training programs in 2021⁵⁵. This figure is high (13%, as in France, compared to 11% in Germany, for example) if one considers the number of registered unemployed (about 369,000 people at the end of 2021). These trainings are all totally or partially financed by the SOC. The main⁵⁶ are:

- ◆ the "training for the unemployed" program is the main *upskilling* program (27,000 beneficiaries), provided by certified training providers. Training courses that lead to a degree and are recognized as such by the order of October 8, 2018 issued by the Catalan government are eligible for the program;
- ◆ The APRENCAT program is the Catalan language learning program, in preparation for the job market;
- ◆ the "CIFO" program involves the SOC's internal training centers, and has benefited 5,000 people in 2021.

2.3.3. Specific programs exist for vulnerable populations: young people, people over 45, people subject to discrimination

Because of the high unemployment rate among young people (cf. 1.1.3), support for young people is a strategic priority for the *Generalitat* and the SOC. In July 2021, the Autonomous Community voted a multi-year plan of €506 million for the young population, through :

- ◆ career guidance programs (41 M€);
- ◆ financing and promotion of training (417 M€);
- ◆ local economic development programs including subsidized employment (47 M€).

This plan is financed to the tune of 192 M€ by the European program REACT-EU.

In terms of programs implemented to date, the SOC has two main tools for youth furthest from employment:

⁵² Statistics from the Catalan statistical institute IDESCAT - <https://www.idescat.cat/indicadors/?id=conj&n=10224&col=1>

⁵³ ECCE Statistics, November 2022.

⁵⁴ About 10% of the workforce according to the director of the Vic agency, although the mission was unable to obtain consolidated figures on this subject.

⁵⁵ The mission added up all the participants in the training programs mentioned in the 2021 annual report, and considered that the "singular pathways" program, which is composed of training actions for young people to improve employability and integration internships, included participants in both sub-programs equally (half of the 5,245 people mentioned on page 28 of the report).

⁵⁶ Annual Report 2021, pp. 16ff.

Appendix V

- ◆ the "*opupacio juvenil*" program, which aims to provide enhanced support for young people in all aspects of their professional and social lives (200 participants in 2021, at a cost of €2 million);
- ◆ the "*Noves Oportunitats*" program, which is an intensive *coaching* program for people over 16 months out of school. A general training in business skills is provided, based on the model of the BVB in Germany (see Annex II).

For more employable young people, the "*singular projects*" allow young people aged 16 to 29, at their request, to benefit from more intensive support, including the promise of internships in companies. This program involved 5,245 young people in 2021.

Reinforced support is also available for people over 45 years of age whose employability is deemed to be lower⁵⁷.

Finally, in accordance with the Catalan law of July 9, 2015 organizing the SOC and making equality a guiding principle, the SOC has programs specifically for audiences more prone to discrimination⁵⁸. Thus, assisted contract schemes with partner and volunteer companies, as well as qualifying training, exist for the following people:

- ◆ victims of sexual violence ;
- ◆ single women raising children, especially if they do not actually receive spousal support;
- ◆ transgender people.

2.3.4. The issue of peripheral brakes is poorly addressed

During its visit and discussions at the regional, provincial and municipal levels, the mission was able to observe that the tools available to the PES to remove the peripheral obstacles preventing applicants from returning to work are limited. With regard to mobility, only 600 people were able to obtain mobility assistance from the PES in 2021, with an average value of €160.

To the mission's knowledge, there are no opportunities to receive funding for childcare, or other costs to improve applicants' mobility such as childcare.

2.4. Control of job search: there is little control of actual job search, but the obligation to periodically re-register administratively leads to the *de facto* suspension of benefits for around 10% of Catalan job seekers who receive benefits each year

2.4.1. National law sets out the obligations of job seekers

A person registering with the SOC as a job seeker must sign (electronically or otherwise) an "*unemployment application*" in order to receive benefits paid by the ECCE, which is similar to a contract. The two-page application certificate⁵⁹ recalls that the applicant:

- ◆ "*may participate in appropriate SOC processes*";
- ◆ "*may participate in actions (...) to promote the employability of workers*";

⁵⁷ Annual Report 2021.

⁵⁸ Visit to Barcelona in November 2022 and annual report.

⁵⁹ Example of an online certificate document - <https://docer.com.ar/doc/nxns8v>

Appendix V

- ◆ "must", if he is "a benefit collector", "accept the work offers and actions proposed to him by the SOC, in accordance with his professional profile".

The certificate refers to the possibility of a sanction for failure to comply with this obligation, ranging from temporary or permanent suspension of benefits, in accordance with articles 24 and 47.1 of the Royal Decree-Law of August 4, 2000, and the law on offenses and sanctions in the social field of December 30, 2003 (see box 5). box 5).

Box 5 Article 24 and 47.1 of the Royal Decree-Law of August 4, 2000 (extracts)

Article 24

The following are minor violations⁶⁰ :

1. failure to provide the corresponding entity or company, when requested, with the data necessary for their affiliation or registration with the Social Security and, where appropriate, the changes that may occur in them, those of the situation of undeclared work, and, in general, the failure to comply with the duties of information (...).
2. failure to appear, after being invited to do so, before the entity that administers the benefits, in the manner and on the date to be determined, unless there is a justified cause.
3. For applicants for or recipients of unemployment benefits at the contribution or assistance level, or applicants for or recipients of unemployment benefits of the separation benefit:
 - (a) Not appear, after being requested to do so, before public employment services or the competent state authority agencies when performing activities in collaboration with the latter, unless there is a justified cause.
 - b) Not returning in a timely manner, unless there is good cause, to the public employment service or, where applicable, to the employment agencies, (...) the corresponding proof of having presented himself at the place, date and time in order to fill the vacancies they offer.
- (c) (...)
- (d) Failure to provide public employment services with the information necessary to ensure receipt of their notifications and communications

Article 47.1

1. (...)

In the case of unemployment benefits at the contributory or assistance level, minor offenses, as defined in Article 24, paragraphs 2, 3 and 4, is punished according to the following scale

scale:

- 1^{ère} violation. Loss of one month of benefits.
- 2^{ème} violation. Loss of three months of benefits.
- 3^{ème} violation. Loss of six months of benefits.
- 4^{ème} violation. Cessation of benefits.

In the case of self-employment severance pay, a minor violation of Section 24.3 shall be penalized in accordance with Section 24.3.

A minor violation of section 24.3 shall be penalized according to the following schedule:

- 1^{ère} violation. Loss of 15 days of benefits.
- 2^{ème} violation. Loss of one month and 15 days of benefits.
- 3^{ème} violation. Loss of 3 months of benefits.
- 4^{ème} violation. End of the service.

(...)

Source: official state bulletin.

⁶⁰ This characterization is found in other parts of Spanish law, and provides information about the severity of the sanctions applied, in relation to the so-called "serious" sanctions (higher fines, imprisonment).

2.4.2. Since 2003, the regional employment service has been responsible for monitoring obligations and formulating sanctions

In 2003, the Spanish Supreme Court ruled that the *Generalitat* and its institutions had the competence to control and sanction obligations related to participation in active measures of the PES⁶¹. The Supreme Court then clarified the competence of the Autonomous Communities in 2015⁶² for sanctions related to the non-renewal of enrolments.

As in the Flemish case (see Annex III), the SOC transmits the decision to the national-level entity, the SEPE, which executes the sanction⁶³.

2.4.3. The sanctioning process takes a minimum of 35 days

The sanctioning process is divided into four phases (see Figure 3). chart 3):

- ◆ internal decision made by an agency director, on the recommendation of an advisor;
- ◆ ten days later, notification to the applicants, who have fifteen days to present their defense;
- ◆ a resolution decision can then be made by the SOC after both parties have been exposed;
- ◆ Within 30 days, notification is made to ECCE, which is responsible for making the payment.



Source: mission.

2.4.4. In normal times, 1 in 300 compensated job seekers is sanctioned for not participating in activation programs, but nearly 1 in 10 experiences a financial sanction for not renewing their claim

Figures provided by the SOC indicate that:

- ◆ 1,700 financial sanctions were administered in 2014 while the ECCE had an annual average of over 400,000 compensated job seekers⁶⁴;
- ◆ 35,000⁶⁵ sanctions for bi-monthly non-renewal of claim were counted in 2019, representing nearly 10% of compensated claimants⁶⁶.

⁶¹ Presentation to the mission, November 2022.

⁶² Presentation to the mission, November 2022.

⁶³ Presentation to the mission, November 2022.

⁶⁴ ECCE Statistics, November 2022-

https://www.sepe.es/HomeSepe/dam/SiteSepe/contenidos/que_es_el_sepe/estadisticas/datos_avance/pdf/emp leo/parosexedasect.pdf

⁶⁵ Presentation to the mission, November 2022.

⁶⁶ *Ibid.*

Appendix V

However, all sanctions were suspended in March 2020 upon the occurrence of Covid, and have not been reintroduced since then.

Business services: the coexistence of digital services and mixed business-ED teams in branches

The Catalan SOC says it offers three types of services to companies:

- ◆ a platform for connecting workers with employers, the *Feina Activa* platform (see Box 6). box 6);
- ◆ a job placement offer for employable job seekers to fill the offers received (40,782 offers received in 2021, 77% of which refer to temporary work contracts⁶⁷, for approximately 500,000 registrants);
- ◆ training courses to help companies define their needs.

The Catalan PES also organizes business prospecting operations. The aim is to meet with Catalan employers, to help them define their needs and to identify job offers. The PES will then try to meet their recruitment needs. The SOC's annual report for 2021 estimates that these canvassing operations have resulted in 612 new job offers being made to job seekers in the region. The Catalan PES also participates in trade fairs to inform companies about the services offered by the PES.

Box 6 The *Feina Activa* platform

The *Feina Activa* platform is available to companies and job seekers. This platform is managed by the SOC.

Feina Activa offers several types of services to its users:

- a career guidance service with information resources for job seekers;
- a service for matching job offers from employers in Catalonia with the demand of job seekers;
- an information service on the state of the job market.

In 2021, the platform had approximately 1.42 million users (job seekers and companies combined) and the number of jobs offered on the platform was 16,641.

Source: feinaactiva.gencat; SOC Annual Report 2021.

However, neither the branch nor the regional office has a department specifically responsible for relations with companies. In *fact*, the branch counselors in charge of supporting the most employable jobseekers are also in contact with companies and are responsible for directly matching their offers with available applicants.

⁶⁷ Annual Report 2021, p. 9.