



Professional internships

Medida estágios profissionais



Portugal

1 DESCRIPTION

Timespan 1997 - present**Stage** FULLY OPERATIONAL**Focus area**

MATCHING SKILLS FOR TODAY'S JOB MARKET

2 FOUNDATIONS

Policy Area

ACTIVE LABOUR MARKET POLICIES

The measure consists of an on-the-job practical experience with the purpose to promote the integration of young people in the labour market or the retraining of the unemployed.

Policy Goal

The improvement of qualifications and skills of unemployed young people (18-30 years), as well as of unemployed people who are in a situation of particular vulnerability, in order to promote their employability. The professional internships aim at smoothing transitions to labour market. Their major intention is providing a first work experience to young unemployed who lack practical skills and knowledge of the work environment. After the big economic crisis, they were extended to cover the transition to the labour market of long term unemployed who need to reconnect with work experience, as well as other groups that are victims of different kinds of prejudice or difficulties of access to labour market due to their social background.

Mismatch**PART OF BROADER PROGRAMME, YET WITH EXPLICIT FOCUS**

The main focus is on preventing unemployment and supporting transition into active life, but the programme also intends to combat skill mismatch of young and adult unemployed, by complementing existing qualifications. One of the goals of this instrument is to promote the companies' awareness of new trainings and skills, in order to favour job creation in new fields.

Aim of policy instrument

MATCH SKILLS OF YOUNG GRADUATES



UPSKILL AND MATCH SKILLS OF UNEMPLOYED

Legal basis

MINISTERIAL ORDER

Administrative level

NATIONAL

Main responsible body

Institute for Employment and Vocational Training (Instituto do Emprego e Formação Profissional)

Stakeholders



GOVERNMENT (CENTRAL & REGIONAL)



OTHER

The IEFP coordinates and regulates the measure. The EU and Portuguese Government co-fund through European Social Fund. The promoters of internships are private (profit and non-profit) organisations, with legal status. This includes public owned companies.

Funding

This programme is funded by the ESF with national co-funding. In the period between 2007-20013, a total of €413,552,068 was spent in this measure, in which €289,486,447 was from ESF (70%). The grants provided to the interns are co-funded between 5% to 35% by the employer (depending on the profile of the intern and the type of institution). The public co-financing is done through IEFP. The disbursements in 2015 have been of €197,544 (according to Activity report of IEFP).

Intended beneficiaries

The intended beneficiaries are the unemployed registered in the job centres: - Aged 18-30 years, holding a qualification level 3-8. - Long-term unemployed aged 30-45 years, holding a qualification level 3-8 obtained in the last 3 years, or a qualification level 2 if they are enrolled in a "Centro Qualifica" (centres that are part of a programme that aims to increase adult's qualifications level). - Long-term unemployed aged over 45 years, holding a qualification level 3-8 or a qualification level 2 if they are enrolled in a "Centro Qualifica". - Lone parents - Unemployed whose spouse/partner is also unemployed. - People with disabilities - Refugees - Victims of domestic violence - Ex-convicts - Ex-drug addicts The programme is intended to improve the qualifications of beneficiaries through in-work training. The in-work training allows the matching of skills supply and demand and in this way promotes their employability.

3 PROCESSES

Use of labour market intelligence



DESIGN TRAINING PROGRAMMES TO ACTIVATE UNEMPLOYED



INFORM DECISIONS ON COURSE FUNDING/PROVISION

The criteria for analysis of applications of promoters to organise an internship include the economic situation of the municipality where the internship will take place, as well as the after internship employment level of beneficiaries of internships organised by the promoter, both in the company and in other employers.

Financial schemes

Beneficiaries are entitled to a monthly allowance during the internship. The duration of the internship is generally 9 months, but in some circumstances can have a different duration. If it is promoted by entities recognised as being of strategic interest to the national economy or to a particular region, the duration can be of 6, 9 or 12 months. If the beneficiaries are people with disabilities, victims of domestic violence, refugees, ex-convicts or ex-drug addicts in recovering process, the internship can be extended to 12 months. The amount of the allowance depends on the beneficiary's level of qualification (from EQF levels 3 to 8, i.e. from secondary education to PhD). The amount ranges from 1.2 IAS ("indexante dos apoios sociais", a social support Index) for EQF level 3 and 1.75 IAS for EQF level 8. In 2017, the IAS was €421.32. In addition, beneficiaries are insured against accidents at work and are entitled to a food allowance of a maximum of €4.52 per workable day.

Frequency of updates

The instrument has no regular update. Most changes resulted from previous evaluations or political discretion. The employability ratios used to select promoters use information calculated on an annual basis.

Development

In the 2015 evaluation, "ESF Supporting youth in Portugal CIE of Vocational Training and Traineeships", it is stated that the programme maintains its original features regarding its aims, target population and scope. The main changes are related with: - Eligibility criteria - initially the age limit of the main target was 30 years, but during the financial crisis it was raised to 35 years (2009 to 2011), and then went back to 30 years. Initially the programme was also targeted mainly to individuals with compulsory education that have not graduated college, but in 2009-2011 the focus went to more educated individuals (post-secondary education was required in 2011), and in 2013 due to the deterioration of economic conditions, the target went back to individuals with at least compulsory education. - Maximum duration - the duration of the grant was initially 12 months, but in 2010 it was reduced to 9 months. - Total amount of the grant - there have been changes in the factor applied to the IAS and also in the IAS value, which has been increasing over the years (in 2007 it was €397.6, increasing to €421.32 in 2017).

Barriers

This is a successful active labour market instrument. Its overuse and risk of the "cannibal effect" over real jobs is often discussed by some institutions. Some adaptations were made to counter this trend, such as the limitation of access to public promoters and changes in the share of the promoters co-financing of costs with interns.

Success factors

The measure is seen as promoting high levels of employability, both in the companies offering an internship and in the local labour market. It is considered a powerful tool in easing the transition of youngsters and vulnerable groups to labour market.

Monitoring

IEFP monitors financial expenditure and the number of internships promoted monthly. The same information on a national and regional basis is provided in its annual report, which is made public via the website.

Innovativeness**SLIGHTLY INNOVATIVE**

The innovation refers to the scope of the instrument, covering both young unemployed and particularly disadvantaged unemployed, regardless of age. In addition, while other programmes target low-education workers, the employment internships provides on-the-job training to young qualified unemployed.

4 SUSTAINABILITY

Evidence of effectiveness

In the evaluation "ESF Supporting youth in Portugal CIE of Vocational Training and Traineeships" made in 2015 regarding the period between 2007-2013, it is stated that the internships significantly raise the employment probability (comparing with unemployed people that weren't enrolled in the measure), and this effect persists for a relatively long period (two years). This programme is more effective in men, with no significant differences found for different schooling subgroups. Positive effects of the programme are not hindered by difficult labour market conditions. The results are equally positive during the period of high and rising unemployment, and in regions with fewer employment opportunities. Between 2004 and 2013, there was a total of 148,857 internships. The evaluation concluded that traineeships do have a significant increase in the employment prospects of participants. The 2015 evaluation did not identify any unexpected benefit or cost.

Engagement of stakeholders

The programme was initiated by a Ministerial Order and its coordination is the responsibility of the national agency for employment, the Institute of Employment and Vocational Training (IEFP). It is a well established measure in Portuguese active labour market policy, entering its third decade of existence. The stakeholders engagement is well defined and the role of IEFP is clearly established as coordinator of the implementation. There is no specific mechanism of monitoring this measure, but is followed-up by social partners as part of their engagement in the tripartite Administration Council of IEFP, where activities are planned and reports are approved.

Transferability**EASILY TRANSFERABLE**

This programme is transferable to countries where youngsters with intermediate or high qualifications face transition difficulties to active life, due to lack of experience with work contexts. This is a situation mainly present in countries where secondary education and VET is school-centred. In crisis context, it is also an important element to reconnect groups with some qualifications to the labour market, namely creating a favourable context for integration of groups of victims of prejudice, that passed by long-term experience outside a job or facing specific integration difficulties, such as language and cultural barriers.

Sustainability

The continuity of the instrument is expected. Its two main reasons for existence are still relevant. The secondary and VET system remains school-based, and youngsters with intermediate and high qualifications face labour market transition problems. People from disadvantaged background and especially the long-term unemployed have serious problems in reconnecting to the labour market. Nevertheless, for this second dimension of the programme, there is a debate over the negative effects of the measure and the need for alternative instruments. Therefore, it looks like the measure will remain for sure as a transition programme for youth (its original scope) and likely in its current shape.
