



Vouchers for acquiring vocational education, upskilling and informal education programmes for unemployed

Profesionālās tālākizglītības, profesionālās pilnveides un neformālās izglītības programmu īstenošana bezdarbniekiem ar kuponu metodi



Latvia

1 DESCRIPTION

Timespan

Since 2008.

Stage**FULLY OPERATIONAL****Focus area****MATCHING SKILLS FOR TODAY'S JOB MARKET**

2 FOUNDATIONS

Policy Area**ACTIVE LABOUR MARKET POLICIES**

It is an integral part of the national labour market policy, which is set out by Law of the Support to the Unemployed and Job Seekers.

Policy Goal

Policies goals include: - Provide an opportunity for unemployed persons and job seekers to increase competitiveness. - Provide an ability to adjust to the changing labour market demand. - Increase the opportunities for unemployed people and job seekers to integrate into the labour market. Participation in voucher education programmes gives unemployed people and job seeker, who cannot find employment due to not having suitable abilities for changing labour market demand or having insufficient abilities, the possibility to obtain necessary skills and competences, thus tackling the problem of skills mismatch. To apply to professional further education and professional vocational development programmes, the unemployed person should comply with the following: - has not previously acquired a professional qualification - the previously acquired professional qualification or experience is not demanded in labour market - the previously acquired professional qualification does not comply with the requirements of the particular profession, e.g. the person has not received a certificate that authorises the person to continue employment in the acquired profession in accordance with the normative acts - the professional abilities have been lost due to not working in the acquired profession for at least three years, or cannot continue employment in the acquired profession, due to medical conditions.

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

While being part of a broader programme, the instrument is focused on tackling the skills mismatch, because the application process and funding scheme are based on the identification of the skills currently needed in the labour market.

Aim of policy instrument**UPSKILL AND MATCH SKILLS OF UNEMPLOYED****ADDRESS SKILL SHORTAGES**

Legal basis**REGULATION****Administrative level****NATIONAL****Main responsible body**

State Employment Agency (SEA)

Stakeholders**GOVERNMENT (CENTRAL & REGIONAL)****TRAINING PROVIDERS (PUBLIC/PRIVATE)**

State Employment Agency (coordination/lead; guidance services; linking jobs with job seekers; cooperation with employers in providing services for job-seekers; skills anticipation and active labour market policy measures). Both private and public training institutions can and do participate and offer training if they meet the set criteria (licenced and accredited institutions/programmes), as there are no public procurement procedures involved. The Ministry of Welfare and SEA are responsible bodies for monitoring and evaluation of programme.

Funding

The development of corresponding IT and LMSI systems was partly financed by the Latvian state and ESF, but the financial burden of voucher system lies on the shoulders of two ESF financed projects: 'Youth Guarantee' and 'Support to the education of unemployed people'.

Intended beneficiaries

The target group is the registered unemployed and job seekers (including disadvantaged unemployed with disabilities, long term unemployed, unemployed aged 50 years and over, unemployed youth). After the completion of the training, the unemployed person receives a professional qualification or professional development certificate.

3 PROCESSES**Use of labour market intelligence****DESIGN TRAINING PROGRAMMES TO ACTIVATE UNEMPLOYED**

The fields of training and curricula, social and professional basic skills, as well as measures for increasing competitiveness are established by a commission led by the Ministry of Welfare at least once a year, taking into account the current situation and prognosis of demand in the labour market. The prognosis are assisted by the LMSI platform "Short term labour market forecasting system" developed by Ministry of Welfare, SEA and funded by ESF and Latvian government.

Financial schemes

Upon receiving the coupon, the unemployed person chooses an education programme and an educational service provider from the SEA website offer. Training voucher - the money is transferred directly to the training provider: 50% of the training voucher sum before client's participation in training and 50% of the training voucher sum when training has been successfully completed. During the training, unemployed people are provided with a monthly grant of €99.60, and they can also qualify for regional mobility compensations.

Frequency of updates

Reviews of systems' effectiveness are performed quarterly, but the data input in system is constant and done on a more regular basis.

Development

The main approach has not changed, yet the list of training programs for the unemployed and job seekers is revised and approved at least once a year by a special commission of experts established by the Ministry of Welfare, which includes sectoral experts, representatives of responsible ministries and social partners. The interactive IT system was set up in order to facilitate the search for training and educational services providers, and an automatic reservation system was developed to facilitate assembling of groups, so the client can find information about the course start dates, number of free places in a group, etc.

Barriers

Initially there were problems with the quality of training and education providers, who failed to meet all criteria in terms of training equipment, premises and qualified personnel. The problem was solved by stricter qualification criteria and quality checks by responsible organisation (State Education Quality Service). There remain problems with educational services in distant regions, because there are lack of training service providers and sometimes it is difficult to assemble enough unemployed people to fill a class.

Success factors

The demand for quality educational services greatly contributed to the success of implementation of the voucher system. The coupon system also encourages mutual competition between educational institutions for better service, because the client (unemployed person) is the one who makes his choice of educational service provider.

Monitoring

The progress indicators are the percentage of course/training attendees, who after the successful completion of course has received appropriate certificate, and the percentage of clients who have been employed after such training. All the data is available online via Educational institutions search engine on SEA web page. Progress is measured regularly (quarterly).

Innovativeness**NOT INNOVATIVE**

The voucher system is not innovative, but what has been done is the implementation of different IT solutions and tools, which to a great extent makes the use of the system more easy and understandable for customers. The monitoring tools also allows for regulatory bodies to make necessary steps in quality control and fluent management of process.

4 SUSTAINABILITY

Evidence of effectiveness

The unemployed positively assess the coupon method as key, giving the opportunity to choose an educational institution. Participation in appropriate training extends the duration of the person participation in the labour market. The employment rate for people who have undergone training activities is consistently higher compared with people who haven't. Employers are generally satisfied with the SEA service (provision of information and the organization of training).

Engagement of stakeholders

The roles and responsibilities of all stakeholders are set by governmental regulation and it is not likely that there will be any substantial changes until the end of ESF projects and/or planning period. Ministry of Welfare and SEA, together with other involved stakeholders, carry out annual assessment of the labour market and training needs.

Transferability**EASILY TRANSFERABLE**

The system is easily transferable to another country, because all the main components are made in compliance with IT, labour market and legal standards of EU.

Sustainability

The system works fine and all the necessary IT infrastructure is in place. The voucher system can easily be adjusted to labour market demands and changes in backbone documents. As the instrument currently is funded by ESF projects, it will run until 2021. After that it will depend on projects within the next planning period or on budgetary constraints.
