



2017

**Annual Report
by the Federal
Employment Agency**



Bundesagentur für Arbeit
bringt weiter.

THIS IS HOW THE FEDERAL EMPLOYMENT AGENCY PERFORMS



CUSTOMER SERVICE

95,000

CUSTOMER TELEPHONE
CALLS DAILY

15,000

VISITORS TO THE VOCATIONAL
INFORMATION CENTERS DAILY

LESS THAN **11**^{min}
AVERAGE WAITING TIME



GUIDANCE AND PLACEMENT

14,000

VOCATIONAL GUIDANCE
SESSIONS DAILY

8,000

DEPARTURES FROM
UNEMPLOYMENT AND INTO
EMPLOYMENT AND TRAINING
DAILY

5,700

VACANCIES FILLED DAILY



IT LANDSCAPE

2,400

IT EMPLOYEES

9,200

SERVERS (OF WHICH 4,500
WERE VIRTUAL)

160,000

NETWORKED PCS

2

REDUNDANT DATA CENTRES

MONTHLY TRANSACTIONS

41^m

EMAILS

11^m

POSTAL DISPATCHES

16^m

TRANSFERS
(APPROX. EUR 8 BILLION)

OPERATING ONE OF
GERMANY'S LARGEST
IT LANDSCAPES

The BA is your competent point of contact for topics relating to the training placement. Every day it offers guidance to people on vocational matters. It provides support to citizens in the form of cash benefits such as unemployment benefit and child benefit. For the BA, the individual is at the centre of everything it does.



SERVICES PROVIDED

8,900

UNEMPLOYMENT BENEFIT
APPLICATIONS GRANTED DAILY

7,700

CHILD BENEFIT APPLICATIONS DAILY



STAFF

98

NATIONS

95,000

PEOPLE EMPLOYED
ACROSS THE FEDERAL
REPUBLIC

1,200

OVER
NEWLY APPOINTED YOUNG
PROFESSIONALS PER
RECRUITMENT YEAR

NUMEROUS INTERNAL TRAINING AND DEVELOPMENT OPTIONS

Federal Employment Agency – moves forward.

The Federal Employment Agency (BA) sees itself as a customer-oriented service provider in the labour market. Its goal is to provide guidance and support for people in their lives, and to facilitate their integration into developments in the labour market. In doing so, it places the concerns and expectations of its clients at the centre of its work, within the framework of its legal mandate and the statutory opportunities available to it.



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Press deadline 16 March 2018

ORGANISATION

STAFF REPRESENTATION

EXECUTIVE BOARD

- Chairperson of the Executive Board
- Board member 1
- Board member 2

OFFICES

- CENTRAL OFFICE IN NUREMBERG
(Central staff council)
- 10 REGIONAL DIRECTORATES
(District staff council)
- 156 EMPLOYMENT AGENCIES AND
APPROX. 600 BRANCHES

JOBCENTERS
(303 IN JOINT INSTITUTIONS)
Benefits aimed at facilitating workplace integration and safeguarding the subsistence of employable persons entitled to benefits.

- FAMILY BENEFITS
- "INTERNATIONAL AGENCY FOR THE VOCATIONAL RESEARCH" (ZAV) IN BONN
- INSTITUTE FOR LABOR MARKET AND VOCATIONAL RESEARCH
- LEADERSHIP ACADEMY
- UNIVERSITY OF APPLIED SCIENCES OF THE FEDERAL EMPLOYMENT AGENCY (BA)
- IT SYSTEM HOUSE FOR INFORMATION TECHNOLOGY
- BA SERVICE HOUSE FOR SERVICE PROVIDERS
- EUROPEAN REPRESENTATION

EMPLOYMENT AGENCY

REPRESENTATION

OFFICE
AND SPECIALIZED SERVICES”
LABOUR MARKET AND
RESEARCH (IAB) IN NUREMBERG
DEMY AT THE BA (FBA)
PLIED LABOUR
FEDERAL EMPLOYMENT
E –
CHNOLOGY OF THE BA
SE –
ER OF THE BA
RESENTATION OF THE BA

... Each department has 1 staff
council, which deals with:
ensuring compliance with
employee rights
employee complaints and
suggestions
the integration of the
severely handicapped and
foreign employees, as well
as equal opportunities
management

SELF-ADMINISTRATION

2,800 REPRESENTATIVES

EMPLOYEES
EMPLOYERS
PUBLIC CORPORATIONS

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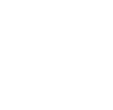
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OUR PROFILE



The Executive Board manages the Federal Employment Agency and conducts its business. It consists of the Chairman and two other members.



EXECUTIVE BOARD OF THE BA

DETLEF SCHEELE

Chairman of the Executive Board of the BA, Director Labour Market

born on 30 September 1956 in Hamburg, married, three children

- **1985 – 1987:** Personal speaker for the SPD State Chairman
- **1987 – 1995:** Centre for Vocational Training, zebra e.V., Managing Director from 1991
- **1995 – 2008:** Managing Director of HAB Hamburger Arbeit – Beschäftigungsgesellschaft mbH, from 1997 onwards also Managing Director of Arbeitsstiftung Hamburg – Gesellschaft für Mobilität im Arbeitsmarkt mbH
- **2008 – 2009:** State Secretary in the Federal Ministry of Labour and Social Affairs
- **2010 – 2011:** Spokesman of the Board of Management, ELBE-Werkstätten GmbH
- **2011 – 2015:** Senator for Labour, Social Affairs, Family and Integration in the Free and Hanseatic City of Hamburg
- **2015:** Member of the Executive Board of the BA
- **Since 1 April 2017:** Chairman of the Executive Board of BA

RAIMUND BECKER

Executive Board: Director Regions

born on 23 January 1959 in Neunkirchen/Saar, married, one child

- **1979 – 1984:** Studied Law at the University of Saarland
- **1984 – 1987:** Legal preparatory service, supplementary studies at the 'Europa-Institut'
- **1988 – 1989:** Landesarbeitsamt Rheinland-Pfalz-Saarland: "Junior Employee Higher Service"
- **1989 – 1991:** Employment Agency, Bad Kreuznach: Head of the Employment Service and Vocational Guidance
- **1991 – 2003:** Landesarbeitsamt Rheinland-Pfalz-Saarland: Head of various units, Head of the Service Department, Head of Human Resources Development, Human Resources Planning, Finance and Infrastructure
- **2003:** Headquarters of the Federal Labour Office: Business Unit Manager for Cash Benefits, Social Security, Law, Legislation
- **Since 2004:** Member of the Executive Board of the BA

VALERIE HOLLSBOER

Executive Board: Director Resources

born on 2 January 1977 in Munich, married, one child

- **1996 – 2001:** Studied Law at the Ludwig Maximilian University of Munich (1st state examination)
- **2001 – 2003:** Traineeship at the Higher Regional Court in Munich (2nd state examination)
- **2003 – 2007:** The association "Arbeitgeberverband der Versicherungsunternehmen in Deutschland (agv) e.V.", employed in the Legal Department
- **2007 – 2017:** Chief Executive of the association "Bundesverband der Systemgastronomie (BdS) e.V." – Employer and business association of the industry
- **2010 – 2016:** Member of the Board of Governors of the BA
- **2012 – 2017:** Chief Executive of the association "Arbeitgebervereinigung Nahrung und Genuss (ANG) e.V."
- **Since 1 April 2017:** Executive Board: Resources of the BA

LETTER FROM THE EXECUTIVE BOARD

Dear Sir or Madam,

2017 was a record year for the German labour market. Buoyed by a dynamic economic upswing that was fuelled by both positive global and domestic developments, unemployment fell almost continuously – to lows that we have not experienced since the time of German reunification.

The same was true for employment growth, which was primarily driven by the increase in employment subject to social security contributions. The demand for labour is higher than it has been in quite some time, and in some sectors skilled workers are becoming a scarce resource. This upward trend is set to continue in 2018: Researchers at the Institute for Employment Research (Institut für Arbeitsmarkt- und Berufsforschung) forecast a further reduction in unemployment and continued job creation.

However, this extremely favourable economic environment also harbours a number of issues that will challenge the labour market in years to come: Expanding the supply of skilled and unskilled labour is becoming an increasingly urgent task, in order that companies will continue to find enough skilled workers in the future. This can only succeed if, to the greatest extent possible, everyone is given the opportunity to be integrated into the labour market, allowing them to advance their careers. At the same time, it is important to accompany the digital transformation of the working world in a creative way.

As a key stakeholder in the labour market, and as one of the pillars of the social security system, in 2017 we set the course for transforming the equality processes in the labour market into effective tools, and for making it possible to adapt to new challenges:

We have begun to expand our range of guidance services at the point of transition from school to work. In addition to vocational orientation at all general education schools from year 9 onwards, and an expansion of the offer available to upper secondary schools, we want to take a

closer look at (potential) apprentices and university drop-outs, and offer them preventive advice at their vocational and higher education institutions.

Wherever possible, no young person should be lost at their first and decisive transition point into working life – in our opinion, this is not only characterised as a labour market policy, but also as a socio-political necessity. In view of the fact that: a good apprenticeship offers the most sustainable protection against long-term unemployment and its social consequences.

For this reason, we also systematically expanded our further education and training offer in 2017, focusing primarily on measures that would lead to recognised qualifications. In view of the increasing demand for skilled workers, the acquisition of a recognised vocational qualification also offers significant prospects for adults and their sustainable participation in the labour market.

The improvement in opportunities for participation for as many people as possible in the labour market is not only indicated from a socio-political perspective, but also the core of every modern and sustainable strategy for securing skilled workers. Even though women's employment, e.g. in metropolitan areas, is now almost equivalent to men's employment, and the labour force participation rate of older people and people with disabilities is increasing, there is still much to do on this particular path. That is why we continued to invest in these areas in 2017 – including in ourselves: For example, with the newly certified study programme entitled "Rehabilitation guidance" ("Rehabilitations-Beratung") along with many higher and further education courses for our members of staff.

However, according to all forecasts, even with the maximum possible utilisation of domestic labour potential, and with all the strategies described, it will not be enough to meet the demand for skilled workers in the economy in the medium term, and in the face of such demographic



change. Therefore, we aim to operate in other European and non-European countries, and to intensify the recruitment process of specialists from these countries.

In addition, the integration of refugees into work and education remains a challenge that will continue to accompany us in the coming years, and that we – together with our partners – will face together.

Our tasks are bound together by all the implications that result from the progressive digitalisation of the working world. With “Lifelong Vocational Guidance” (“Lebensbegleitende Berufsberatung”), we are developing and testing a consulting concept that aims to provide far-sighted support to people throughout their working lives, offering professional guidance in all phases of working life. In this way, we intend to support companies and employees alike on their way to the “World of Work 4.0”.

We too, as an organisation, are changing in the course of digitalisation: With our “Digital Agenda”, we have already begun to develop innovative services and processes in recent years that meet the interests of our customers and employees. We continued our efforts on this throughout 2017, thus remaining Germany’s most modern authority on the discipline of digitalisation.

Last but not least, 2017 was also marked by structural changes for us as an organisation. With the first change at the top of the Executive Board in 12 years, and the appointment of the first female Executive Board member to the BA, priorities have been further developed and new ones added, in addition to changes in Departmental responsibilities. This includes the ongoing development and completion of our “BA 2020” future programme.

We wish to strengthen and re-adjust our claim to be the institution built on individual guidance, placement and training for our customers. The shared organisation of the labour market with our partners across the municipalities

and close, interlinked cooperation on equal terms should act as our guiding principles in the future.

As an important socio-political stakeholder on the ground, we assume responsibility for social cohesion – e.g. in our job centres which, in cooperation with local authorities, provide the services required to secure basic income support for many individuals. This responsibility should continue to shape our self-image even more so in the future.

We would like to show you exactly what has characterised our work, our aspirations and our efforts in the previous year in this Annual Report. We hope you enjoy an exciting and insightful read.

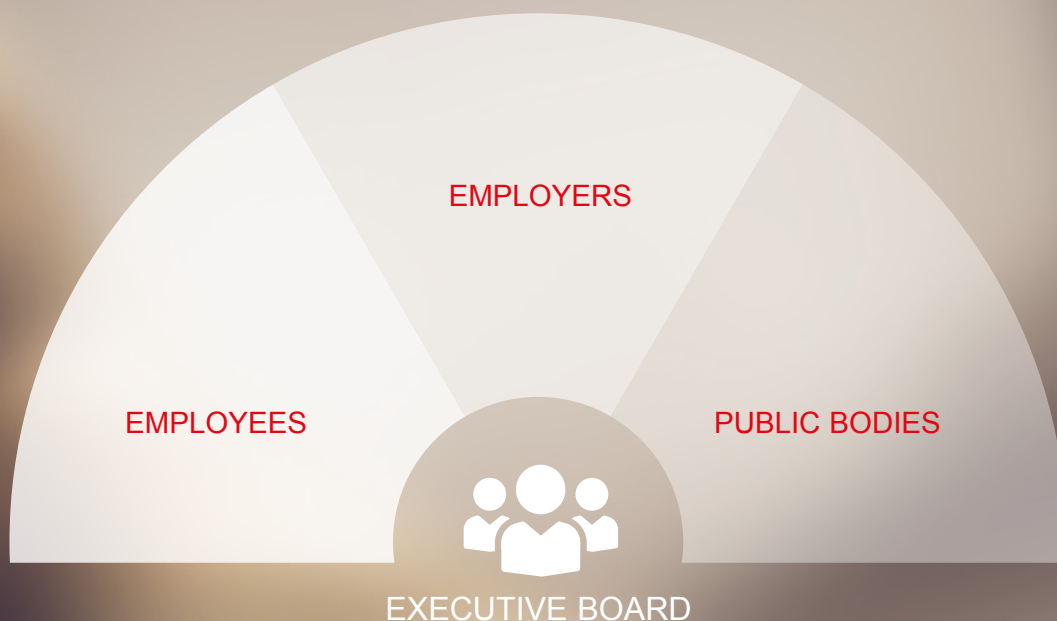
Warmest regards,

DETLEF SCHEELE
Chairman of the Executive Board

RAIMUND BECKER
Executive Board: Director Regions

VALERIE HOLSBOER
Executive Board: Director Resources

BOARD OF GOVERNORS OF THE BA



The central function of self-governance is the Board of Governors. It oversees and advises the Executive Board on the execution of tasks, and offers important impetus for the ongoing development of the BA.

The Board of Governors proposes the Chairman or Chairwoman to the Federal Government, as well as the other members of the Executive Board at the BA, who are to be appointed by the Federal President.

In addition to the information required by the Board of Governors, the Executive Board regularly reports to the Board of Governors on all important topics and developments. Other key tasks of the Board of Governors include:

- Determination of the strategic orientation and business policy goals
- Resolution of the statute of the Federal Employment Agency
- Determination of budgets
- Decree of resolutions
- Approval of the Annual Report by the Executive Board
- Approval of the rules of procedure of the Executive Board.

One third of the Board of Governors is made up of representatives from the following three groups: employees, employers and public bodies. For each group, seven members and five deputy members are appointed by the Federal Ministry of Labour and Social Affairs.



GROUP OF EMPLOYEES

GABRIELE GRÖSCHL-BAHR
United Services Union ver.di

ANNELIE BUNTENBACH
German Federation of Trade Unions

JOHANNES JAKOB
German Federation of Trade Unions

PETRA REINBOLD-KNAPE
Mining, Chemical and Energy Union

DIETMAR SCHÄFERS
Construction, Agriculture and
Environment Union

BURKHARD SIEBERT
Food and Catering Union

DR. HANS-JÜRGEN URBAN
Metalworkers Union

GROUP OF EMPLOYERS

BERTRAM BROSSARDT
Bavarian Industry Association

PETER CLEVER
Federal Association of Germany
Employers' Associations

NINA GÜNTHER
Siemens AG

INGRID HOFMANN
Federal Employers' Associations of
Personnel Services Providers

CHRISTINA RAMB
Federal Association of Germany
Employers' Associations

KARL-SEBASTIAN SCHULTE
Central Association of German Craft
Trades, Trade Association German
Craft Trades

OLIVER ZANDER
Employers' Associations in the
Metal and Electrical Industry
(Gesamtmittel e.V.)

GROUP OF PUBLIC BODIES

INES FEIERABEND
Thuringian Ministry for Labour, Social
Affairs, Health, Women and Family

MARTIN GÜNTNER
Senator for Economic Affairs, Labour
and Ports, Free Hanseatic City of
Bremen

STEFAN HAHN
Deutscher Städtetag (Association of
German Cities and Towns)

KORNELIA HAUGG
Federal Ministry of Education and
Research

JOHANNES HINTERSBERGER
Bayerisches Staatsministerium für
Arbeit und Soziales, Familie und
Integration

DR. ELISABETH NEIFER-PORSCH
Federal Ministry of Labour and Social
Affairs

DR. PHILIPP STEINBERG
Federal Ministry of Economic Affairs
and Energy

DEPUTIES

DR. STEFANIE JANCZYK
Metalworkers Union

MATTHIAS JENA
German Federation of Trade Unions,
Bavaria

ANSGAR KLINGER
Union for Education and Science

DAGMAR KÖNIG
United Services Union ver.di

UWE POLKAEHN
German Federation of Trade Unions
Northern Region

PETER HAAS
Südwesttextil e.V.

GERHARD HANDKE
Federal Association of Wholesale,
Foreign Trade, Services

HERBERT HÜSGEN
Federal Association of Horticulture,
Landscaping & Sports Facilities
Construction

DR. LUTZ MACKEBRANDT
Federal Liberal Professions
Association

DR. ANNA ROBRA
Federal Association of Germany
Employers' Associations

DR. THOMAS GERHARDT
Federal Ministry of Finance

ALMUTH HARTWIG-TIEDT
Ministry of Labour, Social Affairs,
Health and Family

KATRIN SCHÜTZ
Ministry for Economic Affairs, Labour
and Housing, Baden-Württemberg

DR. IRENE VORHOLZ
Deutscher Landkreistag

CHRISTIANE VOSS-GUNDLACH
Federal Ministry of Labour and Social
Affairs

FOREWORD BY THE BOARD OF GOVERNORS



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**ANNELIE
BUNTEN-
BACH**
Chairwoman of the
Board of Governors

↗

**PETER
CLEVER**
Deputy Chairman
of the Board of
Governors



Both the economic situation facing Germany and the labour market continue to develop positively. Employment is growing and unemployment is falling. The conditions for job seekers have never been so favourable, and the risk of becoming unemployed has never been so low. Achieving equality in the market is becoming increasingly difficult. There are no longer applicants who are immediately available on the labour market. At the same time, the challenge remains open to create decent prospects in the labour market for the long-term unemployed. Vocational qualifications are key, wherever possible with the attainment of a vocational qualification or adaptation to current professional requirements. Everyone should have the opportunity to be integrated into the labour market and to achieve professional success. The Board of Governors provides the necessary budgetary resources for the investments required.

ADAPTATION OF THE BA'S BUSINESS POLICY TO CURRENT CHALLENGES

Demographic change is leading to reduced labour force potential. digitalisation is also changing the labour market. The demands on work are changing, and job profiles are evolving. The BA is adapting to this within its own guidance expertise, as well as within its labour market policy tools and digital services.

IMPROVEMENT OF PARTICIPATION OPPORTUNITIES

The BA is working to increase both skilled and unskilled labour potential in Germany on both a quantitative and qualitative basis. An important step is greater female participation, as well as the improved integration of the older people and people with disabilities. In view of the



increasing importance of controlled immigration, the Board of Governors also identifies the need to significantly reduce **long-term unemployment**. The Employment Agencies and jobcenters have initiated successful models to combat long-term unemployment on the ground. The key success factors have been to offer tailored guidance and employment placements with a high degree of support, and the establishment of contacts in the world of work. Initiatives by the Board of Governors such as “Future Starters” (“Zukunftsstarter-Initiative”) help low-skilled individuals to complete qualified training and reduce their exposure to the risk of long-term unemployment.

The Board of Governors has strengthened the overall budget for the promotion of **employment participation by disabled people** by adopting the BA's budget for 2018. With increased funding and the enactment of further components of Federal Law governing employment participation, the opportunities for disabled people will continue to improve. This goes hand-in-hand with the optimisation of processes and a strengthening of the task entrusted to the employment agencies. Thus, the BA makes an important contribution to strengthening inclusion across society.

Refugees are gradually being integrated into the labour market. Here, language barriers often have to be overcome before labour market policy instruments can take effect. The Board of Governors also supports the proposal to increase access to integration courses, job-related language learning and training support measures (such as pre-employment training) for **asylum seekers and tolerated persons** without an employment ban. These individuals are usually blocked from entering the labour market by virtue of being excluded from language support, even though they have resided in Germany for an extended period of time.

IMPROVED TRANSITION FROM SCHOOL TO WORK

When providing professional guidance and orientation services to young people, the Board of Governors is committed to overcoming gender stereotypes. For example, it has adopted specific recommendations for promoting the proportion of women in dual STEM training occupations (mathematics, computer science, natural sciences and technology). All stakeholders and cooperation partners are called upon to work together with the departments of the BA in their respective field, in order that the guidance and educational offers for STEM occupations may continue to be expanded.

In order to improve the **transition from school to work**, the Board of Governors advocates the pooling and re-alignment of existing tools for integrating young people into the system of vocational training, and enhancing careers information at upper secondary and higher education levels. Additional preventive measures should stabilise the transition process at the first threshold, and make the entire experience more streamlined.

Furthermore, the Board of Governors considers that greater transparency is required in the training market, as well as preventive intervention work with young people who are transitioning from school to work. In addition, the professional careers of school leavers should be better documented. No adolescent should be lost in the system. With a reliable database, every source of potential could be exploited and the gap between supply and demand in the training market further reduced. To this end, the BA is piloting an IT-based data exchange with a number of states. The Board of Governors also supports the planned inclusion of pupils currently in secondary levels I and II into the project entitled “Lifelong Vocational Guidance” (“Lebensbegleitende Berufsberatung”), as well as the presence of BA vocational guidance professionals in vocational schools.

STABILITY OF REVENUE AND SAFEGUARDING THE ABILITY TO ACT

In view of the stable economic conditions, the revenue sources available to the BA are developing positively, as are other public budgets. However, experience has shown that steady economic growth and job creation will not continue for the long term. The BA must be prepared for possible downturns and crises, and must be able to pay social security benefits to its customers without any delays. For this, it needs sufficient funds in its reserve amounting to approximately EUR 20 billion.



ANNELIE BUNTENBACH
Chairwoman of the Board of Governors



PETER CLEVER
Deputy Chairman of the Board of Governors

STRENGTHENING THE EUROPEAN DIMENSION OF THE LABOUR MARKET

The Board of Governors supports an intensive exchange within the network of **European Employment Services**, with the aim of learning from one another and sharing good practice. In dialogue with decision-makers at European level, it has campaigned for more and more intensive language support within European border regions.



FIELDS OF ACTIVITY AND TASKS OF THE BA

In order to structure the numerous and varied fields of activity and tasks entrusted to the BA in a clear manner, and to facilitate their topical allocation, a total of six service icons were introduced. They quickly provide customers with the appropriate, specific service area and act as a source of orientation within BA's range of services.

THE SERVICE ICONS



EDUCATION & TRAINING

The vocational guidance on offer from the BA supports young people in their search for training market vacancies or a study place, by providing individual advice and placements, as well as offering support with the issues they face during their training or studies, and answering any questions regarding possible support.



QUALIFICATION

The BA advises and supports those who want to continue their education. The diverse range of further education and training choices opens up opportunities for professional advancement, offers challenges, helps individuals to get back into work and make their own job more secure.



CASH BENEFITS

In addition to the payment of unemployment benefit under SGB III and SGB II, the BA offers a variety of financial benefits: It provides assistance in the commencement of employment, it provides education and training and supports business start-ups. It also offers financial support during insolvency proceedings and short-time working allowance.



WORK AND PLACEMENTS

Offering guidance and placements in employment is one of the main tasks of the BA in order to support its customers in a prompt fashion, in the event of imminent unemployment or a change in career.



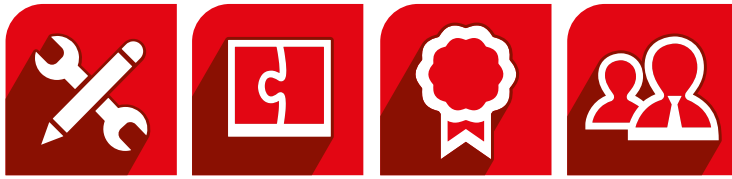
EMPLOYERS' SERVICES

The Employers' Service from the BA is your competent local contact for employers who are looking for suitable specialists or apprentices, financial support or training offers for their staff.



FACTS AND FIGURES

Using the facts and figures it provides for the areas Personnel, Household, Research and Statistics, the BA creates transparency concerning its actions. It maintains official statistics about the labour market as well as basic income support for job seekers, and it publishes the current monthly labour market report.



GUIDANCE, PLACEMENT AND TRAINING

TRAINING PLACEMENT SERVICE

In accordance with its mandate as stipulated by the German Social Code III (SGB III), the BA offers a training placement service. In the course of a guidance year starting on 1 October, young people seek vocational guidance on their path to finding vocational training. At the same time, training companies register their vacant training positions. The BA aspires, wherever possible, to achieve the conclusion of a training contract for all applicants no later than by the end of a consultation year on 30 September or, should this fail, to find a meaningful alternative. Even after this date, its placement efforts will continue for those applicants who have yet to be successful in their application. The BA regularly reports on developments in the consultation year, and draws up a report at the end of the year.

Supply and demand in the training market have been relatively balanced for several years now. However, imbalances within regional, occupational and qualification sectors are making it increasingly difficult to achieve equality in the training market. In this regard, the work of local consultants helps to identify alternatives for young applicants, to facilitate the necessary level of mobility and to convince employers of the potential in previously unsuccessful applicants.

VOCATIONAL GUIDANCE

The vocational guidance from the BA supports young people who are taking their first steps from general education into working life in a variety of ways. At the end of the career consultation process, candidates should be in a position to make a sound and autonomous decision based on the clarification of their personal aptitude and ability, and using a broad spectrum of available information. All vocational guidance services are without bias and free of charge.

At the beginning of a person's vocational orientation, contact is established between the vocational guidance experts and the respective school classes within general education schools, typically between two to three years before the end of a person's school career. In coordination with the teachers, the vocational guidance experts provide students with an initial overview of their vocational options in the field of apprenticeship training and study.

INDIVIDUAL ADVICE ON CHOOSING A CAREER

The professional and tailored guidance provided by the vocational guidance experts acts as the basis for a successful career choice by young people. Based on the life situation in which a young person finds themselves, the guidance session offers the opportunity to discuss career goals and aspirations, to expand the range of career choices and to develop targeted solution strategies together. If necessary, the specialist services on offer from the BA (Occupational Psychology Service, Medical Service, Technical Advisory Service) can be brought into play, e.g. to explore the personal requirements deemed necessary for certain occupations. In addition to the developments and perspectives in the labour market, the skills of a young person seeking advice as well as the offering of cliché-free advice play a major role in that person's vocational orientation. However, it is often the case that the BA only actively participates in the career consultation process once adolescents have already developed very gender stereotypical professional concepts. Therefore, it is of the opinion that one of its most urgent business policy tasks is to promote the respective talents and interests of young people on a gender-sensitive and cliché-free basis, and to expand their career choices to include "gender atypical professions". This includes, for example, raising awareness among young girls of STEM occupations (mathematics, computer science, natural sciences and technology).



The vocational guidance experts also provide assistance with the realisation of an internship, apprenticeship or study place. In the field of dual training and study, the BA provides suitable apprenticeships at regional and national level, as well as via the online portal JOBBÖRSE. School-based apprenticeships and study programmes are rendered transparent via the corresponding online channels.

CAREER INFORMATION CENTRES AND TARGET GROUP MEDIA OFFERS

Career and degree course selection experts at the BA provide information about possible education, study and vocation options, as well as the specific training and study opportunities available within the region and at national level. They use the diverse range of media on offer from the BA.

The “Career Information Centre” (“Berufsinformationszentrum [BiZ]”) at your local Employment Agency is the central point of contact for questions concerning (vocational) education, studies, professions and the labour market. At numerous terminals, it is possible to research information

that is relevant for your own career choices on the Internet free of charge, to search online for training or employment positions and to generate professional application documents. Young people – and an increasing number of adults – are using the BiZ on offer at local Employment Agencies for individual information research purposes. Schools regularly visit these centres for careers information in the classroom.

At those schools which are unable to access such a centre due to infrastructure conditions, tablets are also used for online research. Young people are particularly interested in this offer, and are encouraged by such an endeavour to remain informed of developments on their own smartphones.

The online portals **www.planet-beruf.de** and **www.abi.de** as well as the associated print media and self-assessment tools available at **<https://set.arbeitsagentur.de/teaser>** offer a wide range of information for young people looking for careers information in their transition from school to vocational training or study. In addition to the student portals, there are sub-portals with information for teachers, parents and careers information coaches.



SUPPORT OFFERS FOR YOUNG PEOPLE

If the transition from school to work is unsuccessful, or if an apprenticeship position is in jeopardy, the BA can use a range of specific support measures to help candidates reach a level where they are ready to thrive under such training, or to smooth out the training relationships or even open up new opportunities. Even in the event of a person dropping out from their studies, new paths to permanent employment can be identified and exploited.

The early systematic support of careers information and career choice with the help of support measures starts as early as during a person's general school years. For example, "Career Entry Supervision" ("Berufseinstiegsbegleitung [BerEb]), which is co-financed by the Federal Ministry of Labour and Social Affairs (BMAS) using resources from the European Social Fund (ESF), supports young people at mainstream and special needs schools, e.g. by helping them achieve graduation or transitioning into vocational training.

In order to provide young people with an idea of their career opportunities and the diversity of apprenticeships at an early stage, the BA uses the so-called "Instrument of careers information measures" ("Instrument der Berufsorientierungsmaßnahmen" [BOM]). This supplements the offer of careers information from the vocational guidance experts at schools and the career information centres, and includes, e.g. comprehensive information on occupational fields, the exploration of interests or an in-depth aptitude assessment.

After completing general education schooling, the systematic support will continue. For young people who are not yet able to take up vocational training, there are a number of pre-vocational training measures (BvB) that are in place to prepare these young people before taking up an apprenticeship, and to integrate them as sustainably as possible into the training market. Many measures also offer the opportunity to re-sit the exams for the school leavers' certificate ("Hauptschulabschluss") in Germany.

The entry level training (EQ) is an offer designed to bridge the vocational training gap for young people who either have a lack of training or who are held back by certain restrictions. Employers recruiting young people as part of the EQ programme will receive an allowance to bolster internship remuneration, plus a lump sum towards the

total social security contribution for the young person undergoing qualification.

The apprenticeship supervisors (abH) accompany young people during their in-company training and EQ as part of the support and remedial education offering ("Stütz- und Förderunterricht"), and offer assistance with everyday problems through the social education specialists at the educational institution. The goal of the abH is to ensure the successful completion of training or the EQ.

Eligible, disadvantaged young people who have not found an apprenticeship can take part in vocational training with an educational institution as part of the programme "Vocational Training in External Facilities" ("Berufsausbildung in außerbetrieblichen Einrichtungen" [BAE]). The practical component takes place during the workshops held by the educational institution or training company. In addition to a person's vocational education, additional support and remedial education as well as socio-educational support for everyday problems is on offer at the educational institution. The goal is to achieve a person's permanent transition to an in-company training programme, or the successful completion of a vocational qualification.

The "Assisted Learning Programme" ("Assistierte Ausbildung" [AsA]) is a support instrument that can be used to support disadvantaged young people and their training companies during vocational training. The goal is to achieve the successful completion of vocational training. The AsA can – if desired – commence before the start of vocational training in the so-called training preparatory phase and, for example, can offer help in finding a suitable training market vacancy.

Apprentices will receive a vocational training allowance (BAB) for vocational or external vocational training in a recognised training occupation, or for vocational training in accordance with the Care for the Elderly Act (Altenpflegegesetz [AltPflG]). A prerequisite is, among other things, that apprentices do not live in their parent's household or with a parent, as the training centre can not be reached from there within a reasonable time frame. If apprentices are over the age of 18, or are married or are (or were) in a civil partnership, or have at least one child, they may also receive BAB if they live within reach of their parents' home. In addition, BAB will be provided while participating in a BvB and during the training preparatory phase of an AsA. The BAB is paid as a subsidy.

YOUTH EMPLOYMENT AGENCIES

Since 2010, the development of youth employment agencies has been supported in a variety of ways by the BA, the BMAS, numerous municipal associations and the federal states.

The goal of the youth employment agencies is to achieve the best possible integration of young people into the world of work and society. Through the close cooperation of social security providers (employment agencies, jobcenters and youth welfare offices) and an intensive programme of collaboration with schools, young people can be reached at an early stage and, in particular, young people without follow-on options can be provided with support (“No adolescent should be lost”).

The BA and its partners promote the further development of youth employment agencies, in particular by intensifying cooperation with schools and the nationwide use of best practice approaches.



GUIDANCE AND PLACEMENT ON THE LABOUR MARKET

The labour market is special by nature. Here, as in other markets, supply and demand collide with one another. However, the product of work on offer is inseparable from the people behind it. If it proves impossible to unify the performance of work with a role, this results in unemployment and, as a rule, a difficult situation for those affected, which impacts on all areas of life. Labour market and employment policy instruments seek to establish equality in the market (for example through placements, guidance, wage subsidies) and to protect market participants (for example through the implementation of the minimum wage).

The standards by which placement and consulting services for employees are provided uniformly across the Federal Employment Agencies and joint institutions nationwide are defined in the so-called “4-Phase Model” and in the advisory concept set out by the BA. The individual needs of the customer during any placement and guidance work are always front and centre. From this, any strategies for integration into the labour market or for a person’s training are developed.

Immediate placement specialists at the Employment Agencies provide customers with fast, needs-based placement and consulting services. During a person’s first visit to an Employment Agency, the labour market opportunities are assessed, suitable employment offers are selected and, if necessary, support needs are identified and tracked.

When dealing with complex support needs, specialist guidance and placement professionals are promptly brought into play, e.g. from the “Internal Holistic Integration Consultation” programme (Interne ganzheitliche Integrationsberatung [Inga]). These individuals can offer particularly intensive care and advice. Therefore, the probability of integration is greatly increased and the chances of entering into the labour market are improved. Unrealised skilled and unskilled labour potential is activated, and the emergence of long-term unemployment is prevented.

SPECIALISTS FOR GERMANY

SECURING SKILLED AND UNSKILLED WORKERS

In 2017, the number of vacancies reached a new high of 1.10 million. Filling these positions is becoming increasingly difficult due to the decreasing number of suitable applicants. Over the next few years, a further decline in labour force potential is anticipated. In addition, and as a result of digitalisation, job profiles and competence requirements are changing.

In addition to providing the best possible placement service, the BA is also pursuing other strategies aimed at increasing the activation of skilled and unskilled worker potential, measures which are described in the brochures "Perspektive 2025 – Fachkräfte für Deutschland" (from 2016) and "BA 2020 bringt weiter – Fachkräfte für Deutschland". A joint cooperation between stakeholders in the labour market has already proven to be successful, for example in increasing the labour market participation of women and older citizens. Germany has recently closed the gap with other European leaders.

EQUAL OPPORTUNITY OF WOMEN AND MEN

The legal mandate to promote equality between women and men in the labour market is a cross-sectional objective shared by the BA. The BA's specialists and management staff are supported by the Commissioners for Equal Opportunities in the Labour Market (BCA). Together with network partners and other stakeholders, they work together to create suitable conditions for promoting equality between women and men in the labour market.

By rendering active educational and information work across occupational fields and professions that fall within the STEM and SAHGE brackets (social work, home-based services, health, care and education), the BCA contributes to broadening the career choices available to girls and young women, boys and young men, which ultimately leads to a revision of traditional job profiles. Their approach promotes flexible forms of apprenticeship such as part-time vocational

SPECIALIST SERVICES

THE PLACEMENT AND INTEGRATION PROCESS OPERATED BY THE BA IS CONTINUOUSLY SUPPORTED BY THE OFFER OF THE FOLLOWING THREE SPECIALIST SERVICES:

THE **OCCUPATIONAL PSYCHOLOGICAL SERVICE (BPS)**, WITH ITS DIFFERENTIATED RANGE OF SERVICES, SUPPORTS THE SPECIALISTS FROM THE EMPLOYMENT AGENCIES AND JOBCENTERS IN THE INTEGRATION OF CUSTOMERS INTO VOCATIONAL TRAINING OR WORK.

THE EMPHASIS OF THE WIDE-RANGING TASKS IMPLEMENTED BY THE **MEDICAL SERVICE (ÄRZTLICHER DIENST)** IS ON PROVIDING MEDICAL EXAMINATIONS, AS PART OF EFFORTS TO SUPPORT CUSTOMERS AND THE SPECIALISTS FROM THE GUIDANCE, PLACEMENT AND REHABILITATION SERVICES WITHIN THE EMPLOYMENT AGENCIES AND OTHER JOINT INSTITUTIONS ON THE PATH TO A CANDIDATE'S INTEGRATION INTO THE WORLD OF WORK.

THE KEY FOCUS OF WORK BY THE **TECHNICAL ADVISORY SERVICE** IS – ALONGSIDE ENSURING THE INCLUSION OF CANDIDATES – ON THE PRESERVATION AND CREATION OF JOBS FOR DISABLED PEOPLE THROUGH TECHNICAL WORK AIDS. HOWEVER, THESE TASKS ALSO INCLUDE OCCUPATIONAL HEALTH AND SAFETY, ACCIDENT PREVENTION AND HEALTH PROTECTION IN THE OFFICES OF THE BA AND ITS JOINT FACILITIES. FURTHERMORE, THE TECHNICAL ADVISORY SERVICE INSPECTS THE SPATIAL AND TECHNICAL EQUIPMENT USED IN EDUCATIONAL INSTITUTIONS, YOUTH RESIDENCES AND WORKSHOPS FOR DISABLED PEOPLE.



training, in order to counteract family-related “breaks” in young people’s employment biographies when starting their careers, and to facilitate their career prospects. They are committed to creating employment opportunities in the household services sector that are subject to social security contributions, but also to provide relief in the household for those families.

In order to enable a return to work, especially for women with children, and to avoid the need to leave their profession, the BCA can offer flexible childcare options. To help reconcile work and family life, the “KitaPlus” Federal programme was promoted by the BCA in cooperation with the Federal Ministry of Family Affairs, Senior Citizens, Women and Youth (BMFSFJ) and other social partners, with the aim of expanding childcare hours in the respective institutions. The recruitment of nursery education professionals as part of the BMFSFJ’s “Gender Equality – Men and Women in Child Daycare Centres” programme is actively supported by the BCA.

In order to facilitate re-entry after a family-related career break, returnees are accompanied by numerous consultation and support services. The ESF programme entitled “Perspective for Re-entry (PWE)” by the cooperation partners BMFSFJ and BA makes an important contribution to helping individuals make the return to work after a family-related career break.

REDUCTION OF LONG-TERM UNEMPLOYMENT

Reducing long-term unemployment remains a top socio-political challenge. Long-term unemployment is often characterised on an individual level by complex problems.

ADVISORY PORTAL: “PERSPECTIVE – CAREER RE-ENTRY” (“PERSPEKTIVE WIEDEREINSTIEG”)

THE ADVISORY PORTAL



WWW.PERSPEKTIVE-WIEDEREINSTIEG.DE,

WHICH IS OPERATED JOINTLY BY THE BMFSFJ AND THE BA, PROVIDES GENERAL INFORMATION ON CAREER RE-ENTRY AS WELL AS AN OVERVIEW OF THE DIVERSE GUIDANCE AND SUPPORT SERVICES OFFERED BY THE FEDERAL GOVERNMENT, THE FEDERAL STATES AND LOCAL AUTHORITIES.

In order to be able to further reduce the long-term unemployed population, the heterogeneity of this group and the different levels of receptiveness in local labour markets must be taken into consideration. To this end, a holistic approach has been implemented, which includes effective approaches to the areas of prevention, integration and social participation, while at the same time taking into account general framework conditions and initiatives.

PROFESSIONAL REHABILITATION

The focus of the work by the BA as a provider of vocational rehabilitation and participation in working life is the initial professional integration of school leavers with disabilities. Two-thirds of the approximately 70,000 rehabilitation candidates who are supervised each year are assigned to the category of initial integration.

The granting of benefits adheres to the principle: “As general as possible and as specific as necessary”. The

aim is to achieve vocational integration or training to the greatest extent possible, along with the general benefits. Only if these offers are deemed inadequate due to the nature or severity of a person’s disability will special incentives become necessary, that take into account the individual needs of the person in question. Training and further education should be carried out as far as possible in companies or facilities closely aligned with the workplace. Study results show that this will noticeably increase the prospects for subsequent and sustainable employment. This objective is supported by the introduction of individual participation. This service should take into account the specific requirements of the training and work place, and cover the individual needs of the person being rehabilitated. Participation support rounds off the company support on offer with additional options,

such as the repetition of work techniques or coaching measures.

The financial commitment of the BA for work-related benefits has been at a high level for several years, and is borne by the contributory unemployment insurance scheme.

PROFESSIONALS WITH DISABILITIES

It is often the case that unemployed people with disabilities are well qualified. Given the demand for skilled workers in many sectors and in the interests of the people concerned, their potential for the labour market should not go unused. Improved chances for a job do not come by themselves. The professional support of employers and employees through the Employment Agencies as well the rehabilitation agencies and integration offices is decisive here.

Firstly, there is a need for more employers who are willing to employ people with disabilities. Often, the various funding instruments and support offers are not sufficiently known. Therefore, the BA is following the path of providing information to all those concerned.


PEOPLE WITH A MIGRATION BACKGROUND

The proportion of people with a migration background within the total population has risen steadily in recent years.

The activities of the BA aim to increase the participation in work and training of people with a migration background. Existing offers are rounded off by migrant-specific language formats such as the job and information fair JOBAKTIV, training exchanges in cooperation with the embassies and consulates of significant countries of origin, and multilingual media campaigns for hard-to-reach groups.

Within these services, the level of awareness vis-a-vis a growing group of people with a migration background is continuously increasing. Members of staff at the jobcenters in joint institutions and Employment Agencies receive extensive training for their inter-cultural competencies, as well as migration-specific legal content and other developments.

The BA cooperates with its partners at a local, regional and Federal level to establish viable networks and to create good framework conditions. For example, in cooperation with the BMFSFJ, the BA supports the programme entitled “Promising careers – Mothers with a migration background entering the workforce” (“Stark im Beruf – Mütter mit Migrationshintergrund steigen ein”), which is funded by the ESF at 89 locations nationwide. The cooperation programme aims to make better use of the potential on offer from migrant women living in Germany over the coming years – including with the involvement of the BCA – by intensively activating, advising and promoting these candidates, while at the same time testing previously successful support services for female refugees.



FUNDING PROGRAMME ENTITLED “INTEGRATION THROUGH TRAINING (IQ)” (“INTEGRATION DURCH QUALIFIZIERUNG”)

THE NATIONWIDE FUNDING PROGRAMME AIMS TO IMPROVE THE EMPLOYMENT OPPORTUNITIES AVAILABLE TO MIGRANTS IN GERMANY. IT IS FUNDED BY THE BMAS AND THE ESF; THE BA AND THE FEDERAL MINISTRY OF EDUCATION AND RESEARCH (BMBF) ARE COOPERATION PARTNERS.

A PRIORITY ACTION AREA IS SUPPORTING THE REGULATORY INSTITUTIONS THAT ARE RESPONSIBLE FOR INTEGRATION OFFERS INTO THE LABOUR MARKET. THE BA BENEFITS IN PARTICULAR FROM TAILOR-MADE TRAINING MEASURES FOR MEMBERS OF STAFF AND THE MIGRATION-SPECIFIC EXPERTISE OF THE REGIONAL IQ NETWORKS ON SITE.



FURTHER EDUCATION & TRAINING

Rising skills requirements, an increase in skills shortages and accelerating digitalisation present far-reaching challenges for the labour market. The promotion of further education and training is an important labour market policy instrument as part of efforts to effectively support equality processes. This also applies in particular with regard to the acquisition of professional qualifications.

Following the successful completion of the initiative entitled “Initial Training for Young Adults” (“Erstausbildung junger Erwachsener”) – which ran from 2013 to 2015 – under the name “Training is worth it: later starters wanted” (“AusBILDUNG wird was – Späterstarter gesucht”) with around 100,000 admissions to graduate education and training, the BMAS, the BA and the BA’s Board of Governors have agreed to extend and develop the initiative going forward. The successor initiative started under the title “Future Starters” (“Zukunftsstarter”) in tandem with the enactment of the “Unemployment Insurance Scheme Protection and Continuing Education Act (AWStG)” on 1 August 2016. The goal is to gain 120,000 young adults between the ages of 25 and 35 years for graduate-oriented professional education and training by 2020. Part-time training helps to improve the compatibility of work and family life, and also opens up career prospects for young adults with family responsibilities.

The programme entitled “Further education and training for low-skilled and mature employees in companies (WeGebAU)” (“Weiterbildung Geringqualifizierter und beschäftigter älterer Arbeitnehmer in Unternehmen (WeGebAU)”) is intended to intensify the training of primarily older and low-skilled employees, especially in small and medium-sized enterprises.

INTEGRATION OF REFUGEES

Labour migration and the arrival of refugees are two fundamentally different concepts. Refugees have other reasons for migrating and have experienced different things as a result of war, persecution and escape. The trend towards increased immigration has been driven by a refugee exodus since 2015.

The BA has responded with staff-related and organisational adjustments. It is now represented in all 24 arrival centres operated by the Federal Office for Migration and Refugees (BAMF) with its range of services. In addition to group information, data collection and data entry, this also includes initial consultations.

For those people who are able to work, integration into education or work is an essential element that allows them to earn a living and thrive independently of state support; acquiring an understanding of the German language quickly and in a practical way, getting to know the culture and socialising outside of one’s own family network are also key considerations.

Therefore, the BA has a product portfolio of labour market policy instruments that takes into account the specific needs of the target group.

SPECIALISED SERVICES FOR EMPLOYERS

More than two million jobs and training market vacancies are reported annually to the Employers’ Service (AG-S). The Employers’ Service supports companies with its placement and labour market guidance service. The type and scope of the service offering are individually tailored to the specific needs of the employer. In addition to a personal service, modern eServices are also used. In particular, companies with frequent staff requirements use the option to transfer placement orders online, to work together with the AG-S in a common account, or to submit funding applications online.

PROFESSIONAL BUSINESS CONSULTING

The AG-S is a service provider for all companies that wish to utilise its support. Due to declining applicant potential, however, it is becoming increasingly difficult to fill vacancies through the placement of suitably qualified applicants. As part of the labour market and training guidance process, alternative solutions to cover staffing needs are being identified. In addition to advising on recruitment approaches, qualifying employees or the options to achieve sustainable employee retention, it primarily concerns transparency regarding the applicant market.



CANDIDATE POTENTIAL

A key focus of the consultation is to make employers aware of applicants whose profile does not, at first glance, fully meet the set requirements, but which, due to certain competences or their potential for development, nevertheless appear suitable for recruitment. In doing so, suitable funding instruments are offered.

EMPLOYMENT OPPORTUNITIES

AG-S is an important partner of employee-oriented placement. In the context of sustainable customer relations with employers, job opportunities are being systematically opened up for groups of applicants who face more challenging circumstances on the labour market, e.g. severely handicapped, long-term unemployed or low-skilled individuals.

EMPLOYERS' SERVICE FOR SEVERELY HANDICAPPED ACADEMICS

The Employers' Service for severely handicapped academics is a special service provider of the BA for this group of customers. Thanks to nationwide networking efforts, targeted employer approaches and innovative projects, it opens up nationwide employment opportunities for this group of people.

INTERNATIONAL WORK

STRATEGIES FOR THE TARGETED ACQUISITION OF PROFESSIONALS

The internationalisation of the world of work is on the rise, and in view of the demographic changes taking hold, the acquisition of foreign skilled workers is becoming increasingly important, in addition to the improved development of domestic potential. In order to meet the associated challenges and to fulfil the objectives set out in the "BA 2025" strategy, the "International and Specialised Services" ("Zentrale Auslands- und Fachvermittlung" [ZAV]) has intensified its activities that focus on attracting skilled workers from third countries – i.e. outside the European Union, the European Economic Area and Switzerland – in the form of recruitment, marketing and online measures. Occupational mobility between Germany

and other EU countries continues to run at a high level, supported by the EURES network.

TARGETED ACQUISITION OF PROFESSIONALS IN THIRD COUNTRIES

Germany needs more immigration in the medium to long term, including specialists from third countries.

In addition to the current focus on recruiting activities in Europe, the ZAV has therefore set up networks and structures for third-party skilled specialists originating from various countries. Country-specific and target group-specific action plans have been developed for the candidate approach. These may include addressing German multipliers in the country of origin, event-related recruitment at the invitation of the country of origin, online marketing campaigns, as well as the initiation of recruitment events and project-related recruitment.

Co-operation with partners in third countries is initiated through the International Relations (IB) Division. For on-site events, ZAV's International Personnel Service (IPS) handles the recruitment activities, while the Virtual Welcome Centre (VWC) provides a comprehensive information and guidance service.

SUPPORT FOR AN INTERNATIONAL PERSONNEL POLICY

On behalf of the Federal Government, the ZAV supports the German international personnel policy. By placing leadership and junior staff at the United Nations and EU organisations, it helps to solve the global issues of tomorrow while also representing German interests.

German development policy is supported by the ZAV through the placement of German experts in developing and emerging countries, as well as through the reintegration of foreign skilled workers into their home countries.

In the Outgoing division, the ZAV advises and supports employees who are seeking professional experience or employment abroad. The acquisition of international skills and competencies will benefit companies in Germany upon their return, and will help those individuals to network internationally in the face of increasing global competition.



COOPERATION IN EUROPE

To meet the growing interconnectedness of labour markets in Europe, even greater cooperation between European public employment services is needed. To this end, the European Council organises an intensive cooperation with the partner administrations in the European Network of Public Employment Services by systematically evaluating the experiences and best practices of other public employment services from the Benchlearning project, and encouraging the active involvement of the BA in bilateral technical assistance projects, e.g. in Greece, Cyprus, Italy, Romania and Spain. In the field of transnational training and labour mobility, the ZAV aims to further intensify its successful long-term cooperation with network partners in Italy, Portugal, France and Spain, to consolidate existing processes and to pursue common paths to success. The European Council advises on the politically important decision-making processes of the EU, such as on the implementation of the Council recommendations on long-term unemployment and the Youth Guarantee, as well as on the labour market integration of refugees. In addition, it closely follows the exit negotiations of Great Britain.

EURES NETWORK

Freedom of movement for workers is a key factor in developing a common EU labour market. It allows workers to go where there is a shortage of labour, or where there are more favourable job prospects. Free movement thus makes it easier for citizens to find jobs that better match their qualifications, and helps to remove bottlenecks in the labour market.

EURES (European Employment Services) is the European network of all labour market stakeholders in the 28 Member States, as well as Iceland, Norway, Liechtenstein and Switzerland. EURES also enables companies, employees and apprentices to have access to information, advice and employment placement services, as well as a high level of transparency regarding the European job and applicant market.

As Germany is at the heart of Europe, cross-border mobility plays an important role. It takes place, on the one hand, with the involvement of the employment agencies and regional directorates within the framework of EURES border partnerships and cooperation agreements at all



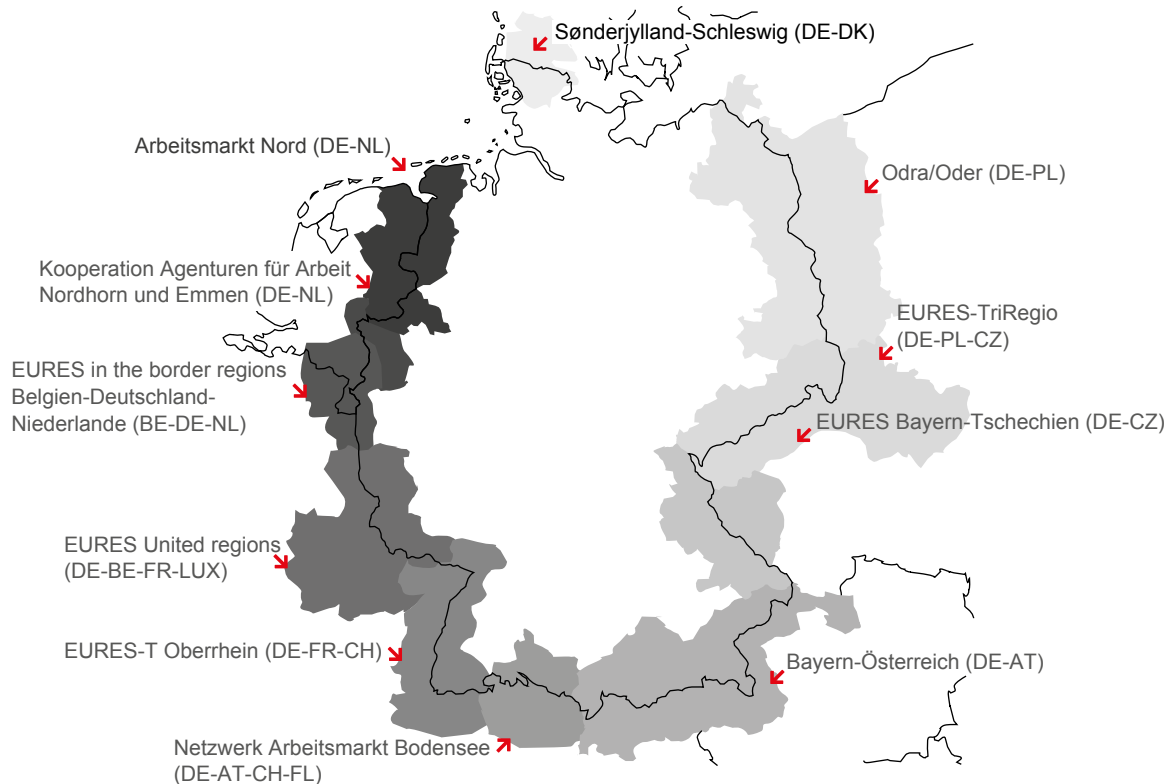
German borders. On the other hand, the ZAV offers services for job seekers and apprentices who want to work and live in another EURES Member State. The BA and ZAV's Employers' Services assist companies in recruiting workers from Europe.

In order to achieve coordinated action across the Member States, each country is required to set up a so-called National Coordination Office (NCO). In Germany, the BMAS has entrusted the BA with this task. The NCO is located within the ZAV and coordinates the German

EURES network. It forms the interface between the European Commission, the NCOs of the European Member States and the German EURES network with BA and currently 13 other EURES partners. The NCO represents the interests of the national network at EU level and integrates a European perspective into national planning and projects.

The BA benefits from contacts at European level and can develop innovative services for its clients through the offers promoted by EURES (e.g. European Online Job Days).

EURES BORDER COOPERATION AND PARTNERSHIPS OF THE ZAV



Source: Federal Employment Agency



CASH BENEFITS



UNEMPLOYMENT BENEFIT

Individuals who are unemployed have, under certain circumstances (such as a qualifying period of entitlement), the right to claim unemployment benefit.

Employees from outside of the EU, the self-employed, full-time parents and students have the option of registering to make mandatory contributions to unemployment benefit. The contribution period is indicative of the level of unemployment benefit.

CYCLICAL SHORT-TIME WORKING ALLOWANCE

In the event of a temporary loss of work, employees may receive short-time working allowance to partially offset their loss of earnings. The aim is to ensure that employees are not dismissed, thus avoiding redundancies. As a result, employers can immediately re-integrate their trained workforce once their order volumes have increased.

SEASONAL SHORT-TIME WORKING ALLOWANCE

Workers at companies operating in the construction industry who are unable to work due to weather conditions (or due to a lack of orders) can receive a seasonal short-time working allowance. The so-called bad weather period starts for companies in the scaffolding industry in November. It starts in December for the construction industry, the roofing trade and gardening / landscaping. It ends in March for all those affected. The aim of the seasonal short-time working allowances and the supplementary benefits is therefore to avoid having to lay off employees in the construction industry in the event of seasonal work downtimes triggered by bad weather, and to keep them in work. This stabilises employment in the construction industry.



TRANSFER SHORT-TIME WORKING ALLOWANCE

The transfer short-time working allowance accompanies the transfer of workers from existing employment with their former employer to new employment with another employer, without registering for intermediate unemployment. Those affected by the staff reductions will be transferred from the previous company to a transfer company.

INSOLVENCY PAYMENTS

Fully or partially unpaid wages and salaries are paid for by insolvency payments for a period of up to three months if the relevant conditions are met. An essential prerequisite is proof of insolvency in the form of a filing for bankruptcy. In addition to any unpaid wage and salary claims, the BA also pays all social security contributions for up to three months.

BASIC INCOME SUPPORT FOR JOB SEEKERS

Vulnerable citizens are supported with a wide range of continuous and one-off benefits, in order that they may secure their livelihood.

Beneficiaries may receive the following as continuous benefits:

- Unemployment Benefit II for employable individuals, respectively social benefits for unemployable individuals and children in a community of need (benefits for regular needs, individual additional needs and municipal services for housing and heating),
- Contributions and subsidies for health and long-term care insurance,
- Services for apprentices,

- Municipal services for education and participation.

Beneficiaries may receive the following as one-off benefits:

- Municipal services for home furnishings, initial provisioning of clothing during pregnancy and childbirth,
- Services for the purchase and repair of orthopaedic shoes and the rental and repair of therapeutic equipment.

FAMILY BENEFITS OFFICE (FAMILIENKASSE)

The Family Benefits Office is the largest benefits office in Germany, measured by the volume of child benefits and child allowance paid annually. With the so-called “Family Benefits Office Concentration Act” (“Familienkassenkonzentrationsgesetz”) now being implemented as part of a “one-pillar model” approach, the family benefits office will become even larger in terms of the child benefits paid out. With roughly 3,500 employees, it is an integral part of the BA.

The Family Benefits Office within the BA supports beneficiaries from across the nation. Child benefit, which is granted upon application for all children up to the age of 18 – and under certain conditions even beyond this age limit – helps each family to secure the livelihood of its children and to manage the transition from school to working life. In addition, with the child allowance the Family Benefits Office ensures that low-income families are granted financial support, as long as this contributes to avoiding the need for assistance within the meaning of the Social Code II (SGB II). The Family Benefits Office is also the first point of contact for foreigners and recognised refugees in Germany when submitting an application for child benefit and child allowance.





FACTS AND FIGURES

HUMAN RESOURCES DEVELOPMENT

In order to optimally adapt the BA to the requirements of the “World of Work 4.0” and to further optimise both its working relationships and working conditions, the BA has begun the conceptual evolution of its own personnel development system – including its competency model – with a key focus on the topic of digitalisation. Two topics play a particularly central role: An appreciative dialogue culture and the optimisation of potential assessment.

STATISTICS

As part of the official statistics released in Germany, the BA prepares and publishes labour market statistics for all regions, which are structured in accordance with the German Social Security Code (SGB) and kept as departmental statistics under the supervision of the Federal Ministry of Labour and Social Affairs.

These statistics are produced with a high degree of topicality, in order to grant those institutions and politicians directly involved in the labour market a secure basis for assessing the economy’s overall situation and its regional developments, in order that measures can be planned and identified in good time.

Employees and employers are afforded a source of orientation with these labour market statistics when making professional and economic decisions. These statistics provide the basic data for labour market research, they supplement the statistics of the Federal Statistical Office and the statistical offices of the individual Federal states, and they are an important source for the work of the municipal statistical authorities.

INSTITUTE FOR EMPLOYMENT RESEARCH

The IAB is tasked with researching the labour market to provide expert advice to political stakeholders at all levels. Scientists from different disciplines create the basis for

this policy consultation through well-founded, internationally networked research. As part of its mission, the IAB contributes to a better understanding of the labour market, the opportunities for employment and the living conditions in a dynamically changing world.

An integral part of the research agenda at the IAB is the evaluation of labour market policy measures, research on education and training, regional and Federal aspects affecting the labour market, the transformation of employment forms as well as short- and long-term labour market forecasts. Special attention is paid to the focus topics of “Migration and Integration”, “Work in the Digitalised World”, “Long-term Benefits Receipt” and the “Quality of Employment”.

The IAB is one of the largest producers of social science research data. The quality of this data is of enormous importance. Many findings of the IAB are based on extensive proprietary surveys and the statistical data of the BA. This data is prepared for the research purposes of the IAB, but can also be used for the purposes of external scientific research.

The organisational proximity to the BA and the connection to the Federal Ministry of Labour and Social Affairs ensure that the research results are available not only to the scientific community, but also to the important decision-makers from politics and industry.

INFORMATION TECHNOLOGY (IT)

IT is increasingly becoming an integral part of the BA’s core business. The performance and quality of IT availability are directly responsible for the success of the entire organisation. A special focus therefore lies on ensuring the stability and security of IT processes. These are continuously improved through the implementation of strategic IT goals, and serve as a gauge for the day-to-day performance of IT. In addition, IT is actively shaping the BA’s business through the digitalisation of its processes:

The basis for the IT strategy 2020 is the “BA 2020” development programme and the expansion of those online services announced therein, which IT continues to promote with the Digital Agenda.

DIGITAL AGENDA

In addition to the effects of digitalisation on the labour market and the professional world, the expectations placed on the BA's digital services are also changing. Technological development enables new communication and collaboration paths to be taken. Customers expect up-to-date offers and services, most of which can be used online – anywhere and around the clock. It should also be

noted that, in addition to external customers, employees as internal users of IT also expect digital support in their day-to-day business. With the Digital Agenda as part of its IT strategy, the BA has set a benchmark for how it intends to establish its portfolio of online services.

TARGET GROUPS AND ACTIVITIES

The offers available under the Digital Agenda address both citizens and employers, as well as the employees of the BA in their dual role as professional operatives and as members of staff with their own personal concerns. Communication with other authorities is another important factor. As the BA grapples with the specific requirements of





these target groups through the process of digitalisation, relevant fields of action have been defined for the individual target groups, and the level of digitalisation ambition has been determined for the respective field of action.

GUIDELINES

For example, with regard to the target groups of citizens and employers, the following claims were formulated for the central fields of action: information, cash benefits, guidance and placement: Information must be available digitally at any time. Within the area of cash benefits, anything that can be digitalised in a meaningful way is done so accordingly. In the area of guidance and

placement, on the other hand, a personal conversation continues to be the focus of attention. Digital offers should play a supporting role, and facilitate opportunities for self-assessment. Each offer contains the branch point in the personal guidance. On balance, the BA's digital services are intended to provide assistance to all citizens at all stages of their working lives.

The defined target groups, fields of action and ambitions are guidelines for the digital transformation of the BA, and determine the framework in which online offers will be developed and constantly improved over the coming years.



OUR YEAR 2017

A blurred background image of a desk with a desk lamp, papers, and a window with vertical blinds.

GUIDANCE, PLACEMENT AND TRAINING

289

YOUTH EMPLOYMENT AGENCIES

197,000

INDIVIDUALS WHO HAVE COMPLETED
VOCATIONAL TRAINING

118,000

CONTACT REQUESTS SENT TO THE VIRTUAL
WELCOME CENTRE OF THE ZAV



VOCATIONAL GUIDANCE

LIFELONG VOCATIONAL GUIDANCE (LBB) PILOTED

Our professional and private worlds are changing with increasing speed. Technical progress, and in particular digitalisation, are leading to the establishment of new requirements and qualification standards in many professions. Therefore, many employment biographies are no longer linear: Self-elected and involuntary interruptions, e.g. dropping out of education and studies, unemployment, a change of job and career or periods of education and nursing care necessitate an individual's ongoing development or professional reorientation at some point. In this environment, people are increasingly looking for decision-making aids. The need for initial vocational orientation at the beginning of working life is complemented by its later need in the course of working life. This is where the LBB comes in. It picks up from the tried-and-tested approaches of previous vocational guidance and further education and training guidance, and develops the offering in a contemporary way. The LBB offers holistic, preventive and lifelong professional orientation and advice, with the BA cooperating with other regional providers and referring candidates to their offers.

OBJECTIVES

- The advice is designed as part of a preventive approach with the aim of first and foremost preventing the occurrence of unemployment.
- Pre-employment guidance has increased its presence at general education schools, at vocational schools and at universities. This is intended to prevent candidates from dropping out of their apprenticeships and studies.
- In addition to the unemployed or those facing the prospect of unemployment, people who are already in work but who want or need to reorient themselves professionally are also offered advice. Further education and training within companies remains unaffected.

- Personal advice is closely linked with new online offers. This includes, e.g. the "self-assessment tool" for the vocational orientation of adolescents and adults. It is based on psychological processes and captures skills, social competences, interests and professional preferences. Customers who use the self-assessment tool come prepared with concrete ideas, aspirations and questions to be submitted during the consultation.

TARGET GROUPS

- Pupils from school classes in lower secondary education and from year 10 onwards, if they wish to attain upper secondary education
- Apprentices in training courses with high drop-out rates, and those in occupations with a shortage of skilled workers, or those without the prospect of subsequent employment at their training company
- Students in study programmes with high drop-out rates and in occupational fields with a high shortage of skilled workers, as well as in courses of study without a direct vocational connection
- Unemployed individuals with further guidance needs – e.g. if they have low-level qualifications, or if their qualifications are no longer applicable, or they work in professions that are threatened by digital transformation
- Employable individuals with a special need for orientation – especially those without vocational training or with low or unusable qualifications in frequently changing, short-term employment relationships; people who are coming back to work or who are particularly affected by the digital transformation

In 2016, the Executive Board decided to pilot the LBB. For this purpose, three Employment Agencies were initially selected as locations with different labour market situations, in order to be able to run through the entire project concept before and during working life:



- Düsseldorf – a metropolitan district with a favourable labour market situation, with the inclusion of the Jobcenter
- Kaiserslautern-Pirmasens – Low density and rural district with an average labour market situation
- Leipzig – Dense and urban district with high unemployment

By the start of November, preparatory work was under way at the agencies. In March 2017, the pilot was started and ran until 2018.

Furthermore, beginning in January 2018, the employment guidance service is also set to be tested at an additional location – at the Employment Agency in Regensburg – in an intensified employer cooperation programme.

TWO IMPORTANT PHASES OF PILOTING

The piloting, which is closely monitored by a central project team, is intended to garner experience and insight for a future national rollout. The Centre for Customer and Employee Surveys (ZKM) is involved in surveys. The Institute for Applied Social Science (infas) is accompanying the piloting from a scientific point of view.

The first phase of the piloting ended in August 2017. Important milestones in this first phase were the provision of infrastructure, the recruitment of additional personnel, the briefing and qualification of existing and new personnel, the preparatory work in schools and colleges and the project's operational launch at agency level involving the offering of advice to customers and the involvement of local network partners.

In the second phase of the piloting, the LBB's offer will be extensively tested in practice in the phases that come before and during a person's working life. This includes the linking of the online offer (in particular the self-assessment tool) with the guidance function. The advice offered to customer groups is systematically maintained. Observations and surveys pertaining to the guiding questions of the piloting are carried out by the ZKM and infas.

All results and findings are consolidated and used for the derivation of recommendations for a nationwide rollout.

PRELIMINARY CONCLUSION

The start of the LBB has been achieved across three employment agencies. Initial events were afforded a great deal of interest by numerous network partners who are supporting the project on the ground. And the customers are also very enthusiastic about the guidance offer:

The guidance service presence in schools has been demonstrably strengthened. Here, early support should contribute to the correct choice of occupation and study, and should help to avoid drop-outs later on.

Consultation rooms were set up at participating universities, and were used intensively. Students in study programmes with high drop-out rates and a shortage of skilled workers, as well as students in degree programmes without a direct vocational link have also been addressed here.

Importantly, many unemployed and employed people also found their way to the guidance on offer. The Employment Agencies make an important contribution to stabilising employment biographies, to supporting a candidate's re-entry into the labour market, encouraging training and thus preventing unemployment.

There was also positive feedback from a staff survey at the pilot sites, even though the changes in the agencies represent a major challenge for all concerned. These and other findings have been comprehensively assessed and evaluated, and can thus provide important information for the programme's future nationwide rollout.



VOCATIONAL TRAINING

RECOMMENDATIONS ON PROMOTING THE PROPORTION OF WOMEN IN DUAL STEM TRAINING OCCUPATIONS

LONG-TERM OBJECTIVE:

INCREASE THE CAREER CHOICE OF WOMEN FOR STEM OCCUPATIONS TO

20%

IN THE NEXT 20 YEARS

In February 2016, the Board of Governors reached the decision to establish a working group entitled "STEM", which was tasked with developing concrete practical approaches and establishing transparency for the optimisation of STEM-related activities. In June 2017, the Board of Governors was able to issue recommendations to promote the proportion

of women in dual STEM professions, with the aim of increasing the proportion of women in STEM training occupations to 20 per cent within 20 years. Since this goal can only be achieved together with all partners and stakeholders in the labour market, the networking efforts of the BA aimed at promoting STEM education are further strengthened thanks to cooperation work with the Federal states, cities, schools, chambers and associations.

Germany's Federal Parliament has also turned its attention to STEM education and, in April 2017 adopted the resolution recommendation "STEM education as a basis for Germany as an economic region, and for participation in our science and technology-driven world". The Federal Government is called upon to strengthen STEM education through a package of measures. The BA can adopt an important role in this regard, and support the objectives of the resolution recommendation within the scope of its legal mandate.

Important fields of action include:

GENERATING INTERNAL IMPETUS FOR GUIDANCE

- Strengthen STEM careers information and guidance.

- Use the career choice test more pro-actively, and design the information material according to the target group.

- Implement the cliché-free and gender-sensitive offering of advice on the basis of self-commitment.

MAKE JOBS TANGIBLE AND WIN OVER NEW EMPLOYEES

- Apply labour market policy instruments for those aged under 25 pro-actively, in order to promote a greater focus on STEM professions.
- Facilitate the integration of internships and internship applicants into the BA's JOBBÖRSE.
- Host and manage internship platforms and work more closely with companies, vocational guidance, the Employers' Service (AG-S) and schools.

EXPAND NETWORK/INTERFACES WITH SCHOOLS

- Recommend a stronger STEM education focus in schools to the Conference of Ministers of Education (KMK).
- Establish STEM Centres of Competence in the Regional Directorates of the BA.

YOUTH EMPLOYMENT AGENCIES

This involves over 90 per cent of Employment Agencies and 73 per cent of jobcenters (joint institutions and approved municipal agencies). 190 districts and 156 cities, including 86 independent cities and city-states, actively contribute to the success of local cooperation projects with their resources and competences.



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YOUTH EMPLOYMENT AGENCIES IN 2017



SPENDING BY THE BA FOR YOUNG PEOPLE (U25)

SPENDING VOLUME IN EUR BILLIONS, GERMANY, REPORTING YEAR 2017

THRESHOLD 1

2017

Transition from general education to apprenticeship training	SGB III*	1.76
	SGB II**	0.14
	Total	1.90

THRESHOLD 2

2017

Transition from vocational training to gainful employment	SGB III*	0.47
	SGB II**	0.09
	Total	0.56

Source: Federal Employment Agency

* funded by contribution income ** funded by federal funds





PREVENTION OF APPRENTICESHIP DROP-OUTS (PRAELAB)

WITH THIS PROCEDURE, THE BA HAS DEVELOPED AN INSTRUMENT IN WHICH PREVENTIVE SUPPORT IS PROVIDED IN COOPERATION WITH VOCATIONAL SCHOOLS OR VOCATIONAL TRAINING INSTITUTIONS. THE AIM IS TO STABILISE TRAINING RELATIONSHIPS OR SUPPORT A CANDIDATE TO REMAIN IN THE EDUCATION SYSTEM IF THEY WISH TO DROP-OUT FROM AN APPRENTICESHIP PROGRAMME. AT THE HEART OF PRAELAB IS A SKILLS REVIEW TOOL DESIGNED TO HELP IDENTIFY SIGNS OF A POTENTIAL DROP-OUT RISK AMONG VOCATIONAL STUDENTS. SELF-ASSESSMENT ALSO SURVEYS THE INTERDISCIPLINARY COMPETENCES (SOCIAL, METHODOLOGICAL AND PERSONAL SKILLS) OF YOUNG PEOPLE. ON THIS BASIS, TRAINEES CAN REFLECT ON THEIR OWN PROFILE AND THE REQUIREMENTS PROFILE OF THEIR TRAINING OCCUPATION.

IN ORDER TO AVOID APPRENTICESHIP DROP-OUTS, FROM 2018 ONWARDS THE BA WILL BE OFFERING THE PRAELAB PROCEDURE TO 60 EMPLOYMENT AGENCIES.



FOREIGN LANGUAGE ONLINE PORTALS

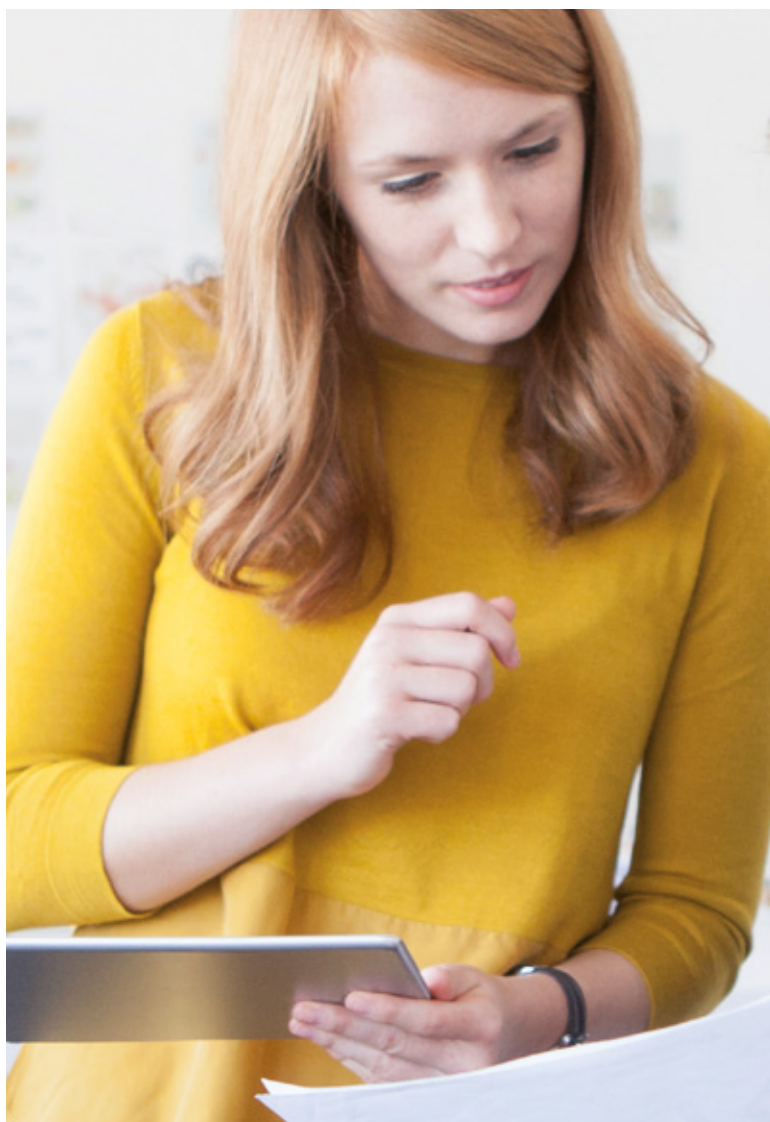
New sub-portals with foreign-language content have been created especially for young refugees under the portal **www.studienwahl.de**. This Internet presence, jointly operated by the BA and the Foundation for Admission to

Universities on behalf of the KMK, is aimed at students and young people who intend to study. It provides comprehensive information on almost 17,300 currently available courses at more than 440 universities in Germany.



FIRST LEVEL OF THE SELF-ASSESSMENT TOOL ONLINE

IN THE SPRING OF 2017, AND WITH THE INTRODUCTION OF THE FIRST LEVEL OF THE SELF-ASSESSMENT TOOL, THE BA CREATED A NEW, NATIONWIDE, PSYCHOLOGICALLY-BASED ONLINE OPTION THAT ALLOWS YOUNG PEOPLE TO USE THEIR INTERESTS, ABILITIES AND PREFERENCES TO DISCOVER SUITABLE JOB PROFILES FOR DUAL TRAINING. EVEN WITHOUT HAVING TO APPLY FOR THIS FIRST STAGE, BETWEEN 50,000 AND 70,000 VISITORS ARE USING THE NEW OFFER EVERY MONTH. AT THE END OF 2017, AN OFFER TO EXPLORE SUITABLE STUDY PROGRAMMES WAS ALSO ADDED – INITIALLY AS A TRIAL VERSION. BOTH TOOLS WILL BE MERGED IN THE FUTURE.



SPECIALIST SERVICES



210,000

ORDERS FOR BPS IN DIRECT CUSTOMER CONTACT, OF WHICH

APPROX. **49,000**

ARE IN THE AREA SGB II

OCCUPATIONAL PSYCHOLOGY SERVICE (BPS)

SINCE NOVEMBER 2017, THE BPS HAS INTRODUCED A SERVICE ENTITLED **MYSKILLS – IDENTIFYING PROFESSIONAL COMPETENCIES** WHICH IS A NEW SERVICE TO ALL EMPLOYMENT AGENCIES AND JOBCENTERS USED TO COLLECT RELIABLE INFORMATION ON THE PROFESSIONAL KNOWLEDGE OF THEIR CUSTOMERS. THIS MEANS THAT THE BPS NOW NOT ONLY SUPPORTS THE DETERMINATION OF INTERDISCIPLINARY SKILLS AT AN OPERATIONAL LEVEL, BUT ALSO THE VISUALISATION OF PREVIOUS PROFESSIONAL EXPERIENCE. THE TARGET GROUP INCLUDES LOW-QUALIFIED GERMAN NATIONALS AND REFUGEES. IN ADDITION TO GERMAN, THE TEST PROCEDURES FOR 30 PROFESSIONS ARE OFFERED IN FIVE FOREIGN LANGUAGES (ENGLISH, HIGH ARABIC, MODERN PERSIAN, RUSSIAN AND TURKISH).

THE BPS 2017 HAS INTRODUCED A COMPUTER KNOWLEDGE TEST AS A BUILDING BLOCK FOR A CANDIDATE'S ORIENTATION TOWARDS THE "WORLD OF WORK 4.0", AND IS DEVELOPING A SELF-INFORMATION QUESTIONNAIRE ON DIGITAL SKILLS, WHICH IS BASED ON THE "DIGCOMP" EUROPEAN REFERENCE FRAMEWORK. THE KNOWLEDGE TEST AND STRUCTURED SELF-ASSESSMENT CAN HELP IDENTIFY EXISTING DIGITAL SKILLS AS WELL AS IT-RELATED TRAINING NEEDS.



562,000

MEDICAL ASSESSMENTS AND CONSULTATIONS FOR CUSTOMERS FROM BOTH LEGAL SYSTEMS

MEDICAL SERVICE

THE MANAGEMENT SYSTEM OF THE MEDICAL SERVICE WAS SUCCESSFULLY CERTIFIED IN ACCORDANCE WITH DIN EN ISO 9001:2015 IN 2017. PARTICULAR RECOGNITION WAS GIVEN TO THE STRUCTURED AND CUSTOMER-ORIENTED WAY OF WORKING IN THE LOCAL MEDICAL SERVICES. IT HAS SUCCEEDED IN RECONCILING CUSTOMER INTERESTS WITH THE TASKS OF THE SOCIAL SECURITY PROVIDER.



TECHNICAL ADVISORY SERVICE

THE QUALITY MANAGEMENT SYSTEM WAS SUBJECT TO FURTHER DEVELOPMENT WITH THE CONVERSION TO THE NEW DIN EN ISO 9001:2015 STANDARD, AND THE PERSONS RESPONSIBLE FOR OCCUPATIONAL SAFETY WERE ADVISED OVER 31,000 HOURS.

15,400

ORDERS FOR INCLUSION, OF WHICH



87 %
PREVENTION



10 %
INTEGRATION



3 %
INITIAL VOCATIONAL TRAINING



ONLINE PORTAL

In December 2016, the new portal of the BA went online and, since then, has been offering SINGLE centralised online access to the BA. The structure of the web presence is based on the life situations of the customers and thus enables the shortest route to the information sought. The uniform design and the intuitive usability have also had a positive impact on the current usage figures: Between eight and ten million visitors visit **www.arbeitsagentur.de** every month.

The scope of the portal is constantly expanding, and existing online offers are being improved: In 2017, for

example, a new area for previously registered private individuals was added. Customers who use this area are introduced to all of the BA's personalised customers services – from child benefit and vocational training allowance to unemployment benefit and placement services – which are bundled across all departments and supplemented by new appointment overviews and mailboxes. This area can be individually adapted to the needs of customers. The areas of My eServices, the job seeker's registration form, as well as job searches via the online portal have been revised and now fit seamlessly into the portal's entire online portfolio.



LONG-TERM UNEMPLOYMENT AND SOCIAL PARTICIPATION

In 2010 to 2015, the number of long-term unemployed people stagnated at around one million. Since mid 2016, a significant decline has been recorded for the first time. However, a real breakthrough has not yet been achieved and the reduction of long-term unemployment remains one of the primary societal challenges of our time.

Long-term unemployment differs regionally in Germany and is often characterised on an individual level by a long-term process of development and a variety of factors that hinder integration into the labour market. Social science studies have revealed evidence of inter-generational solidification. A lack of vocational training, health restrictions and age are the three main barriers – often in combination – that lead to long periods of unemployment.

Regional labour markets can also significantly limit the chances of integration if there are insufficient job opportunities that fit the range of skills available to the long-term unemployed.

OVERALL STRATEGY DEVELOPED

The solid development on the labour market is the starting point for the development and implementation of a five-to-eight-year overall strategy to reduce long-term unemployment.

The goal is to open up prospects on the labour market together with the relevant partners for people in difficult life situations.

The heterogeneity of the people affected and the regional labour markets means working with different priorities that are geared to local problems. The strategy for reducing long-term unemployment, which the BA has been developing since 2017, provides for a regional structure at the Employment Agencies and jobcenters on the ground. A decision can subsequently be made as to which preventive, integrative or participatory approaches require investment.

ACHIEVE SUSTAINABLE SUCCESS THROUGH PREVENTION

In order to achieve sustainable success in reducing long-term unemployment, the BA will push ahead with preventive approaches, even if these will only be effective in the medium to long term.

Health restrictions are one of the most common causes of transitioning and remaining in long-term unemployment. Together with statutory health insurance providers, the BA is promoting the networking of work and health within the framework of a joint project, in order to further expand preventive and health-promoting offers aimed at bolstering the employability for its customers. Since 2017, 58 sites (Employment Agencies, jobcenters in joint institutions and authorised municipal entities) have been integrating its service offerings and by 2018 another 70 regions will be able to implement the model approach.

Other approaches include, for example, the strengthening of youth employment agencies and the “Internal holistic integration counselling SGB III (“Interne ganzheitliche Integrationsberatung [Inga])”.

REINFORCE INTEGRATION

The historically strong labour market must be used for the integration of relatively long-term unemployed workers. Approaches should include e.g. the ongoing professionalisation and intensification of employment placement activities, such as through improved supervision, the sustainable stabilisation of employment relationships and the recognised training and qualification of low-skilled individuals.

APPROACHES TO SOCIAL PARTICIPATION IDENTIFIED

For those individuals far removed from the labour market, offers should be created to improve their employability. Approaches include:



- the short-term promotion of employment that is subject to social security contributions, with the aim of improving employability and the chances of a transition to the general labour market.
- the development and testing of needs-based guidance methods and supervision of the long-term unemployed in a community environment.
- This eligible group of people must have been, in addition to the statutory funding requirements of Section 16e SGB II, unemployed for at least 4 years and in receipt of benefits under SGB II.
- For the jobcenter, a two-year grant in accordance with Section 16e SGB II is facilitated.

DEVELOPMENT OF A CONCEPTUAL APPROACH TO THE SOCIAL INTEGRATION OF THE LONG-TERM UNEMPLOYED

There is a group of approx. 100,000 to 200,000 people who essentially enjoy no benefit from the stable labour market situation, and who have no chance in the general labour market in the medium to longer term.

SGB II offers, among other things, opportunities to introduce previously excluded individuals to the labour market with the instruments of publicly subsidised employment. However, the use of these tools has declined in recent years.

As part of a model approach, social participation opportunities are to be created and employability increased for previously excluded, long-term unemployed individuals through subsidised employment relationships subject to social security contributions in accordance with Section 16e SGB II – Employment Promotion. These people should be introduced to the general labour market in the medium to longer term and integrated as sustainably as possible.

MODEL TESTING COMMENCED

This approach is being tested at selected jobcenters, taking into account the following business policy guidelines, which accommodate decentralised freedom of action:

- Employers are brought on board whose corporate structure permits the employment of long-term unemployed people far removed from the labour market. In the context of employment relationships, labour market activities are carried out that are appropriate for the target group and that improve their employability. During employment and transitions, technical support is provided by socio-pedagogical facilities and, where necessary, the companies.
- A consensus is established with the social partners to avoid any distortions of competition and the crowding out of regular employment.

Insight into the practicality and effectiveness of such an approach will be gained at the model locations.

PROFESSIONAL REHABILITATION

STRENGTHEN COOPERATION TO PROVIDE THE BEST POSSIBLE SUPPORT

In addition to special support for people with disabilities (EUR 98.97 million), EUR 2.50 billion have been invested in work-related benefits as part of the contributory unemployment insurance scheme. On average, approx. 99,000 rehabilitated individuals were eligible for these contributory funds.

On 1 January 2017, the “Federal Participation Act” (“Bundesteilhabegesetz”) came into force, and is due to be implemented over several stages of reform. One core area is the newly regulated application and participation procedure, which will apply from 1 January 2018. Rehabilitation agencies are obliged to cooperate even more so than before, and to use their services in the complex overall system in such a way that they help those people in need of assistance in the best possible way. A new participatory procedural report will also make the process more transparent in the future. The work conducted by the rehab institutions is published annually by the “Federal Association for Rehabilitation” (“Bundesarbeitsgemeinschaft für Rehabilitation”). In particular, data on applications and the duration of proceedings are collected and evaluated.

The BA has taken up the need for action in designing the rehabilitation process, and has taken the necessary precautionary measures: All specialists and managers in the rehabilitation teams were qualified in line with the “Federal Participation Act” (“Bundesteilhabegesetz”). The technical instructions and working tools have been adapted to the new regulations. Staff-related and organisational measures stipulated for Employment Agencies as part of efforts to strengthen their rehabilitation teams were launched with the publication of a new technical concept.

RESPONDING TO THE NEW FEDERAL PARTICIPATION ACT

As a result of the Federal Participation Act, SGB IX will change as of 1 January 2018. For the BA, the following aspects will therefore play a central role:

- All rehab providers are required to direct their actions towards recognising a potential need for rehabilitation as early as possible. The principle of prevention should take centre stage. If the need exists, it is necessary to work towards an application.
- New paths towards prevention are to be tested by job-centers and pension insurance institutions. For every five year period, they will receive EUR 100 million per year from federal funds.
- If an application is submitted, there is a “performing rehabilitation institution”, responsible for coordinating the services vis-a-vis the applicant.
- If the services of different providers are offered in tandem, the service provider has to initiate a participation plan procedure, in order that the individual in rehabilitation can clearly understand the interlinking of any service provision.



CAMPAIGN WEEK FOR PEOPLE WITH DISABILITIES

FROM 27 NOVEMBER TO 3 DECEMBER 2017, THE CAMPAIGN WEEK FOR PEOPLE WITH DISABILITIES WAS HELD.

THIS YEAR WAS ALSO SHAPED BY THE AIM TO MAKE THE PUBLIC (AND EMPLOYERS IN PARTICULAR) MORE AWARE OF THIS GROUP OF APPLICANTS. EMPLOYMENT AGENCIES AND OTHER INSTITUTIONS CARRIED OUT TARGETED CAMPAIGNS TO RAISE AWARENESS AMONG EMPLOYERS AND INTEREST GROUPS OF THE NEEDS OF DISABLED PEOPLE.



INCLUSION AWARD

THE INCLUSION AWARD HAS BEEN PRESENTED TO ITS RECIPIENTS BY THE FEDERAL MINISTRY OF LABOUR AND SOCIAL AFFAIRS FOR THE LAST FIVE YEARS. THE PRIZE IS AWARDED FOR BEST PRACTICE EXAMPLES OF TRAINING AND RECRUITING PEOPLE WITH DISABILITIES, MAINTAINING THE EMPLOYMENT OF PEOPLE WHO HAVE EXPERIENCED A CHANGE IN THEIR CAPACITY TO WORK, AND MAINTAINING OVERALL EMPLOYABILITY. AT THE FOREFRONT ARE INNOVATIVE SOLUTIONS FOR SUSTAINABLE EMPLOYMENT WHICH ARE EXEMPLARY IN NATURE, AND WHICH CAN BE TRANSFERRED TO OTHER COMPANIES.



FURTHER TRAINING

VOCATIONAL FURTHER TRAINING

The promotion of ongoing vocational further training was significantly strengthened in 2017. Within the legal scope of SGB III, the BA budget for all further education and training services (further education budget) in 2017 stood at EUR 1.66 billion (2016: EUR 1.27 billion). In addition, EUR 1.30 billion were earmarked for unemployment benefit during ongoing vocational further training (2016: EUR 1.16 billion).

The training budget covers all the main areas of professional development for unemployed and employed customers. The consolidation of a training budget aims to increase decentralised budget management flexibility, while reducing the administrative burden.

In 2017, a total of 197,000 recipients of unemployment insurance scheme (proportion of women: 46 per cent) enrolled in vocational further training – including the programme “Continuing education for low-skilled and mature employees in companies (WeGebAU)” (“Weiterbildung Geringqualifizierter und beschäftigter älterer Arbeitnehmer in Unternehmen (WeGebAU)”). In the course of the year, an average of 94,000 people were offered support, of which half (47,000, proportion of women: 51 per cent) were set the goal of achieving a vocational qualification. A total of 107,000 people who were in receipt of basic income support (proportion of women: 41 per cent) started on a vocational training scheme. On an annual average, this was 52,000 participants (proportion of women: 48 per cent). For 21,000 people (proportion of women: 50 per cent), a vocational qualification was the goal of continuing education.

The “WeGebAU” programme aims to intensify the further education of low-skilled workers and employees in small and medium-sized enterprises. In 2017, 28,000 subsidies were granted (proportion of women: 55 per cent) in the area of the unemployment insurance scheme; of which companies received in 10,000 cases (proportion of women: 63 per cent) additional funds in the form of a wage subsidy.

With the “Initiative to Flank Structural Change” (“Initiative zur Flankierung des Strukturwandels [IFlaS]”), the structural change taking place in individual sectors and

regions is to be supported by suitable training measures, thereby contributing to securing skilled workers. In 2017, the “IFlaS” enabled 30,000 low-skilled unemployed individuals and re-entrants (proportion of women: 46 per cent) who were registered for unemployment benefit to acquire either recognised professional qualifications or partial qualifications respectively.

“FUTURE STARTERS” – YOUNG ADULTS RECEIVE QUALIFIED FURTHER EDUCATION

By the end of 2020, a total of 120,000 young adults between the ages of 25 and 35 will be recruited from both legal spheres for qualified further education and training.

The AWStG has improved the access for low-skilled workers to qualified further vocational education and training. The new support measures are intended, among other things, to reduce an existing deficit in the area of basic skills, and to increase motivation and perseverance through the payment of premiums upon the successful completion of interim and final examinations.

In 2017, there were 28,000 young adults between the ages of 25 and under 35 (proportion of women: 38 per cent) who started qualified further education (SGB III: 17,600 (proportion of women: 38 per cent); SGB II (without zkT): 10,400 (proportion of women: 38 per cent)). In addition, 8,400 young adults (proportion of women: 33 per cent) entered into unsubsidised vocational training.



MYSKILLS

RECOGNISE PROFESSIONAL
COMPETENCES

THIS PROJECT WAS INITIATED IN COOPERATION WITH THE BERTELSMANN FOUNDATION TO REGISTER INFORMATION ABOUT THE OCCUPATIONAL SKILLS SETS OF PEOPLE WITHOUT FORMAL QUALIFICATIONS – ESPECIALLY MIGRANTS, REFUGEES, AND ALSO LOW-SKILLED GERMAN NATIONALS.

SINCE NOVEMBER 2017, THE FIRST EIGHT OF A TOTAL OF 30 VIDEO AND IMAGE-BASED OCCUPATIONAL TESTS HAVE BEEN AVAILABLE NATIONWIDE AT ALL EMPLOYMENT AGENCIES. THE JOBCENTERS (JOINT INSTITUTIONS AND AUTHORISED MUNICIPAL BODIES) HAVE THE OPTION TO COMMISSION MYSKILLS AT THE BA.

PLANS ARE IN PLACE TO PROVIDE ALL 30 OCCUPATIONAL TESTS BY SPRING 2018. THE TESTS ARE AVAILABLE IN SIX LANGUAGES. THE 30 REFERENCE OCCUPATIONS WERE SELECTED ON THE BASIS OF CUSTOMERS' PREVIOUS EXPERIENCE AND REFLECT THE CURRENT LABOUR MARKET SITUATION. THE TEST TASKS ARE DERIVED FROM THE RESPECTIVE CURRICULUM OF VOCATIONAL TRAINING. AFTER COMPLETING THE TEST, THE CANDIDATE RECEIVES A RESULTS OVERVIEW IN WHICH THEIR PROFESSIONAL KNOWLEDGE IS IDENTIFIED FOR EACH VOCATIONAL FIELD OF ACTION.

WWW.ARBEITSAGENTUR.DE/MYSKILLS



REFUGEES AND DISPLACED PEOPLE

CHALLENGES ENCOUNTERED DURING INTEGRATION

The labour market integration of refugees is taking time. As a rule, refugees have little or no German language skills. Therefore, the focus is on the earliest possible acquisition of adequate language skills to facilitate their integration into training or the employment market.

The absence of (or insufficient) education is a major challenge for commencing with an apprenticeship, and thus a refugee's permanent integration into the labour market. The training of refugees is therefore a focus of labour market integration policy.

Although professional experience and relevant skills are often available, there is frequently a lack of formal vocational qualifications that are recognised in Germany. A majority of refugees want the fastest possible entry into a job. Due to the lack of qualifications, these are often just assistant jobs. To avoid gaps in candidates' biographies, the BA wants to convince refugees of the need for education and training. The BA is pursuing the approach of training during employment.

Female refugees act as "multipliers" for the successful integration of their children or their entire family, as well as for passing on societal values that are important in Germany. Therefore, targeted support services and integrative approaches are needed that allow for equality in the labour market. Ensuring childcare places plays a key role in enabling women to participate.

INTEGRATION COURSES AND PROFESSIONAL LANGUAGE TRAINING

GERMAN LANGUAGE TRAINING IS COORDINATED BY THE FEDERAL OFFICE FOR MIGRATION AND REFUGEES (BAMF). IT IS DIVIDED INTO INTEGRATION COURSES AND OFFERS FOR JOB-RELATED LANGUAGE TRAINING.

INTEGRATION COURSES:

THE MINIMUM STANDARD OF GENERAL GERMAN LANGUAGE SKILLS IS CONSIDERED TO BE LEVEL B1 AS PER THE COMMON EUROPEAN FRAMEWORK OF REFERENCE (CEFR). THE GENERAL INTEGRATION COURSE COMPRISES A 600-TEACHING UNIT (UE) GERMAN COURSE AND A 100-TEACHING UNIT ORIENTATION COURSE. IN ADDITION TO THE GENERAL INTEGRATION COURSE, THERE ARE ALSO TARGET GROUP SPECIFIC OFFERS, E.G. FOR COPY WRITING LEARNERS, THE ILLITERATE OR ADOLESCENTS.

VOCATIONAL GERMAN LANGUAGE SKILLS SUPPORT:

IN 2016, THE GERMAN LANGUAGE PROMOTION REGULATION (DEUFÖV) SIGNALLED A NEW REGULATORY INSTRUMENT FOR THE PROMOTION OF GERMAN LANGUAGE PROFICIENCY BY THE FEDERAL GOVERNMENT: THE ACQUISITION OF GERMAN LANGUAGE SKILLS IS BEING PROMOTED ABOVE THE LEVEL OF B1. THE BASIC AND SPECIAL MODULES INCLUDE E.G. SUBJECT-SPECIFIC LESSONS AND MODULES THAT MUST BE COMPLETED FOR THE SKILLS TO BE RECOGNISED. SINCE 1 APRIL 2017 A VOCATIONAL LANGUAGE COURSE BELOW THE B1 TARGET LANGUAGE LEVEL HAS ALSO BEEN ON OFFER.



COOPERATION MODELS SUBJECT TO ONGOING DEVELOPMENT

In 2016 and in cooperation with social partners, the cross-industry cooperation models entitled “Kommit” and “Step by Step” were developed. If action measures are provided for in the “Kommit” cooperation model, they can be accompanied by a responsible body (a so-called “supervisory measure” (“Kümmerermaßnahme”)) aimed at supporting the smooth execution of operational testing, if this is not ensured by another party (e.g. the State).

Just how skilled workers can be brought on board step by step through these two models is illustrated by an explanatory film that presents the idea and the opportunities associated with the models in a condensed format. The film can be found online at www.arbeitsagentur.de under: “Unternehmen”, “Arbeitskräfte finden”, “Ihr Weg zum passenden Personal”

COMBINATION MEASURES CREATED

In cooperation with the BAMF, the BA has developed combination measures that link the BAMF language development programmes with the integration benefits available through SGB II and SGB III. The aim is to introduce customers to the labour and training market as quickly as possible.

As part of the language acquisition measure entitled “**Kompetenzfeststellung, frühzeitige Aktivierung und Spracherwerb (KompAS)**” (“Determining skills and competencies, early activation and language acquisition (KompAS)”), the general language support offering from the BAMF (the integration course) is combined directly with a measure in accordance with Section 45 SGB III for a candidate’s introduction to the labour market. In particular, the labour market policy measure includes elements of a competency assessment, information on the labour and training market, and company work trials. In this way, language acquisition and a person’s introduction to the labour or training market can take place in tandem, while waiting times between the measures can be avoided and integration processes can be accelerated.

KompAS is implemented as a comprehensive measure by the BAMF and the BA, and is subject to public tendering through the BA’s purchasing organisation.

REFUGEE AND DISPLACED WOMEN WERE REACHED

Approx. 30 per cent of refugee arrivals are women who are reached by means of needs-based (and often) low-threshold offers. Above all, they require access to information and support to strengthen their own resources (empowerment) and tackle the daily hurdles they face (for example, familiarising themselves with childcare outside of the family).

Female role models help to reach refugees and migrants faster. This is the reason for the Facebook campaign entitled “Das bringt mich weiter!”. Integration work thus focuses on the process of inter-cultural sensitisation through qualification.

The special offer of measures by the BA entitled “Perspectives for female refugees (PerF-W)” covers all of these aspects: The role and rights of women in Germany, introduction to the education and employment market, getting to know the German education system and professional practices, job-related German language training, the strengthening and activation of competencies, as well as the offer of support in the organisation of childcare during participation.



YOUNG REFUGEES

Three quarters of asylum seekers in 2017 were under 30 years old. In this group, many have a long working life ahead of them, meaning that investment in training is particularly important for this group of people. The guidance and orientation offers available through the Careers Advisory Service at the Employment Agencies are open to all young refugees. Refugees in educational and vocational schools participate in careers information events, as do domestic students.

In addition, there are numerous target group-specific information offers aimed at reaching young refugees as well as those young refugees who are not of school age and their coaches in a low-threshold way, such as via the sub-portals available at www.planet-beruf.de and www.abi.de.



INITIAL INTEGRATION SUCCESSES

In 2017 roughly

70,000
PEOPLE

were able to end their unemployment and take up gainful employment after arriving from one of

the eight most asylum-critical countries. This record to date is encouraging, but also shows that labour market integration is taking its time due to the many stages that have to be completed, such as language learning and skills development.



COMBINATION OF JOB-RELATED LANGUAGE SUPPORT WITH A MEASURE IN ACCORDANCE WITH SECTION 45 SGB III (KOMBER)

The knowledge base and language level achieved in the integration course are usually not sufficient to prepare a candidate

for their entry into the training or employment market, which would lead them to training, qualification or employment. Here, the "KomBer" common basic model links in with an activation measure pursuant to Section 45 SGB III. The basic models for the combination of language training support available from the BAMF along with the involvement of the BA were advertised for the first time in mid-September 2017, and will be available from January 2018. Measures aimed at imparting vocational German language skills can be offered in various forms, along with a partial measure according to Section 45 SGB III spanning several operational phases.

EMPLOYERS' SERVICE

Many companies are finding it increasingly difficult to meet their staffing needs. For the Employers' Service (AG-S) operated by the BA, this represents new challenges, which are taken up in the context of further development projects.

PROFESSIONALISING EMPLOYER GUIDANCE

For small and medium-sized enterprises, the competition for skilled workers is becoming increasingly demanding. Their need for support is also increasing. Within the framework of the labour market guidance process, stakeholders are sensitised to future challenges such as the implementation of modern recruitment strategies, systematic personnel development or measures aimed at sustainable employee retention. This makes the guidance process behind the AG-S quantitatively and qualitatively more demanding. The AG-S should therefore be developed further to meet such needs. In 2017, a comprehensive analysis of the existing optimisation requirements was conducted, and solutions were developed which will be the subject of ongoing improvement and implementation in 2018. These include, in particular, an improved representation of the results of AG-S work, securing the necessary resources for the implementation of professional AG services, strengthening the necessary specialist and methodological skills of employees, ensuring a high quality of service and delivering the continued professionalisation of the employer guidance service.

OPTIMISE AND EXTEND CROSS-BORDER MARKET ACTION

In order to provide employers with personal points of contact and short communication channels during the recruitment process, and to secure equal opportunities for job seekers – regardless of their legal background – when it comes to their integration into work and training, the BA works together with almost 90 per cent of the common facilities in the so-called “Joint AG-S”.

This cooperation will be further developed and optimised in terms of quality. Additional options for closer, employer-oriented cooperation with approved municipal authorities will be examined.

DEVELOPING KEY ACCOUNT CUSTOMER CONSULTATIONS

The approach to key account consultation is being strategically re-developed. In addition to the nationwide management of employment placement contracts, key account consultations will make greater use of its customer relationships with key companies, in order to place labour market policy-relevant topics within the focus of large companies. Subsequently, models for the integration of special groups of people have been developed, multiplier effects have been created in the context of professional public relations, and societal knock-on effects have materialised.

500PLUS – EMPLOYMENT INITIATIVE BY THE EMPLOYERS' SERVICE FOR SEVERELY DISABLED ACADEMICS (AG-S SBA)

With the “Initiative 500plus” which was launched in 2017, companies can attract qualified and highly-motivated skilled workers by offering severely handicapped academics an initial position within the company limited to two years. A salary allowance enables the acquisition of further professional qualifications, which improves the chances of a candidate's permanent integration into the labour market.

APPLICATION TRAINING – A KEY TO SUCCESS

Another project is dedicated to improving the integration of severely disabled academics. The focus is on providing holistic advice to individuals on their way to gainful employment. In order to prepare candidates properly for the selection process, job application training has been tailored to these customers, and has received a great response.



“FEDERAL PARTICIPATION ACT” (“BUNDESTEILHABEGESETZ”) – GUIDANCE SUPPORT WITH QUALIFIED APPLICANT PROPOSALS

Under the new Federal Participation Act (“Bundes-teilhabegesetz”), a complementary and independent participation consultation will be introduced based on the peer principle. More than 300 prospective and severely handicapped applicants were identified and presented to

potential guidance centres. For example, the “AG-S sbA” programme supports the development of guidance structures and, at the same time, opens up opportunities for integration into the labour market.



INTERNATIONAL WORK

Against a backdrop characterised by a high number of refugees and the limited prospect of asylum being granted to those arriving from countries within the so-called Western Balkans, the ZAV has further intensified its bilateral cooperation with Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro and Serbia, a measure that was initiated in 2015 to deal with employment-related immigration to Germany. In addition to information and guidance services, targeted recruiting events were also implemented in close cooperation with the public employment services and other important partners in most of these countries that are involved in the migration process. In Albania, Kosovo and Serbia, the ZAV also plays an active role through the organisations known as the “Centrum für internationale Migration und Entwicklung” (CIM) (“Centre for International Migration and Development (CIM)”), a working group of the BA and the “Deutsche Gesellschaft für Internationale Zusammenarbeit” (GIZ), in setting up information centres to handle issues relating to migration, training and education and career guidance, and to provide local services through this infrastructure.

The text and video chat communication channels used in the Virtual Welcome Centre (VWC), which were newly introduced in 2016 to facilitate improved international accessibility, have continued to prove their worth and their importance as the central cornerstones of migration consulting in 2017. In 2017, a total of 117,900 contact requests reached the VWC: 58,400 by telephone, 46,100 by e-mail, 8,200 by text chat, 100 by video chat, 4,200 via VerBIS and 800 by an approach in person.

The VWC is permanently available through the online portal **www.make-it-in-germany.com**, which is operated by the Federal Ministry for Economic Affairs and Energy (BMWi), the BMAS and the BA. Since the website was launched in 2012, almost 13 million visitors have already sought information there.

INTENSIFIED RECRUITMENT OF SKILLED WORKERS FROM THIRD COUNTRIES

The focus of efforts in 2017 on third countries included nations within the so-called Western Balkans as well as Morocco, Tunisia, South Korea, Mexico and Brazil. In

particular, efforts centred around attracting skilled workers in the areas of health, IT and technology. From a total of 1,400 skilled workers that the International Personnel Service (IPS) integrated in 2017, 446 came from third countries during this year.

An example of such a successful implementation is the establishment of close cooperation with the Employment Agency in Mexico. The first round of information and recruitment events in the fields of health and technology took place in 2017. In Brazil, the ZAV tested joint recruitment formats in November 2017 with the Chambers of Commerce in Rio de Janeiro and São Paulo. São Paulo is the country's most important commercial and financial centre; numerous renowned German companies host their headquarters there.

The ZAV is also continuing the successful recruitment of nurses as part of the “Triple Win” programme in Bosnia and Herzegovina, Serbia and the Philippines, and has added Tunisia to its country portfolio. With this programme, the BA is playing a pioneering role in discussions about “fair recruitment”. On 31 July 2017 in Munich, the 1,000th caregiver was welcomed as the result of the “Triple Win” programme.

In addition, the ZAV is gathering insight from projects like “Triple Win” – which aims to recruit nursing and care professionals – while defining the “success factors” that will be used in other third-country activities.

Since October 2016, the “Points-based Model Project for Foreign Skilled Workers” (“Punktebasiertes Modellprojekt für ausländische Fachkräfte” [PuMa]) has been operated by the BMAS in the Federal state of Baden-Württemberg, and aims to grant access to the German labour market for individuals with recognised vocational training who are looking to enter into professions that are not on the so-called “positive list” of the BA. As part of the three-year model project, factors such as a person's qualifications, experience and language skills are being tested for the first time as a means of managing the flow of immigration. A concrete job offer is still required for permanent entry into the country and a work-related residency permit. PuMa is controlled by the BMAS and the BA.



COOPERATION IN EUROPE INTENSIFIED

As part of the Franco-German mobility pact, and in efforts to intensify co-operation between the two countries, initiatives have been launched to provide advice and facilitate the active placement of skilled workers from France. In 2017, French internship programmes were held in Germany and vice versa. In addition, further cooperation projects were realised in Italy and Portugal.

EUROPEAN FUNDING PROGRAMMES SUPPORT SKILLED WORKERS AND COMPANIES

The European Commission regularly publishes tenders for European programmes, which are then awarded as projects to consortia in the EURES network. The BA was again involved in several projects in 2017.

For example, the mobility programmes entitled “Your first EURES job (YFEJ)” and “Reactivate 35+” were set up. Through both of these programmes, placement services for job seekers, job changers and the unemployed could be effectively supported with financial assistance. Companies were able to find qualified employees from across Europe. The European Solidarity Corps (ESC) programme provides opportunities for young people to participate in employment projects across Europe that courageously tackle societal challenges. Possible

activities range from youth work, to care for the elderly, to the protection of the environment or the integration of refugees.

Language courses were included in all programmes, as well as travel expenses for interviews abroad, relocation costs and costs attributable to the recognition process for qualifications.

WITH THE EURES REGULATION, THE EURES NETWORK CONTINUES TO DEVELOP



The new EURES Regulation 2016/589 functions like a national law. It regulates the amended structure of the network and determines which

services are offered within the EURES network, in order to promote labour market mobility on fair terms between the Member States.

The National Coordination Office has analysed the effects of this new regulation on the German network and the BA; a need for action has been identified and changes have been initiated. It represents German interests at the working group meetings held by the European Commission, and is preparing the expansion of the German EURES network from 2018 with the BMAS.

The EURES Regulation requires a considerable amount of adaptation, especially in the field of information technology. However, the BA will be given improved access to the European applicant and labour market.

With the introduction of the new European Classification System (ESCO), it will benefit in the medium term from the possibility of a Europe-wide comparison of candidate and job profiles based on skills and abilities. This will support more appropriate employment placement at European level and thus fair employment mobility.

25 YEARS OF EUROPEAN EDUCATIONAL MOBILITY

Euroguidance, the network of European educational and vocational guidance with Euroguidance centres in 35 European countries, celebrated its 25th anniversary in 2017. Since the network's foundation, the BA has been designated as the National Euroguidance Centre by the BMBF, and the ZAV has been tasked with the coordination and implementation of activities at a national level. The primary objective of the network is to promote international mobility in education, professional development and employment, and to strengthen the European dimension of LBB in the Member States and associated countries.





CASH BENEFITS

€ 8.12^{bn}

WERE SPENT ON
UNEMPLOYMENT BENEFIT

3rd

EVERY
APPLICATION FOR
UNEMPLOYMENT BENEFIT
WAS MADE ONLINE

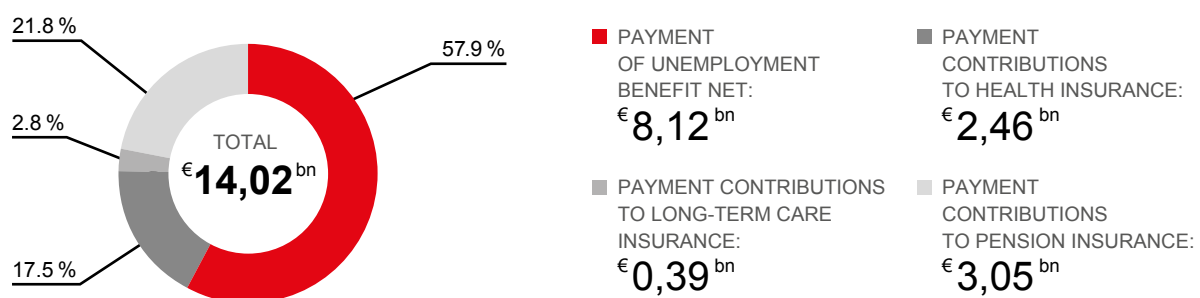
4.37^m

EMPLOYABLE PEOPLE RECEIVED BENEFITS
IN THE FORM OF BASIC INCOME SUPPORT



UNEMPLOYMENT BENEFIT, SHORT-TIME WORKING ALLOWANCE AND INSOLVENCY PAYMENTS

EXPENDITURE ON UNEMPLOYMENT BENEFIT



Source: Federal Employment Agency

SUCCESSFUL SUPERVISION OF “TOP-UP BENEFITS” BY THE EMPLOYMENT AGENCIES

A TOTAL OF APPROX.
87,000
UNEMPLOYED INDIVIDUALS
WERE AFFECTED BY THIS CHANGE.

On 1 January 2017 the 9th SGB II Amendment Act signalled the transfer of responsibility for “top-up benefits” (“Aufstocker”) from the jobcenters to the Employment Agencies. The recipients of “top-up benefits” also receive “Unemployment Benefit II” in tandem to their entitlement to “Unemployment Benefit”. This corresponds with the

concept incorporated into SGB III that individuals who are able to assert a claim for unemployment benefit should also be entitled to other benefits – including those that promote a person’s active search for employment – which are provided for by the Employment Agencies. At the same time, the jobcenters will be given more time for the supervision and placement of the long-term unemployed.

The adoption into the Agencies’ employment placement

activities has paid off: The integration rate of “top-up benefit” claimants has reached around 46 per cent of the overall integration quota level, although this group of people is often characterised as being low-skilled and rather distant from the market.

APPLICATION FOR COMPULSORY INSURANCE – APPLICATIONS OVERWHELMINGLY APPROVED

A total of 87,100 people utilised the opportunity to continue their insurance cover as already provided for in their unemployment insurance scheme. There were 9,400 new applications, of which 380 were rejected. The BA’s premium income amounted to EUR 79.42 million.

PROJECT ADEBAR DEVELOPS SOFTWARE SYSTEM FOR SOCIAL SECURITY DATA EXCHANGE

The ADEBAR project is developing a software system that enables the BA to electronically exchange social security data with 31 European countries. The software components provided by the EU are integrated and operated by the BA as part of the solution. ADEBAR is linked to existing applications via interfaces. From 1 July 2019 onwards, the system must be productively used by



all intended users as a replacement for the paper forms that have been used to date.

ONLINE APPLICATIONS EXPANDED

Since 2014 individuals have been able to apply for unemployment benefit online. Currently, every third application for unemployment benefit is made online. Since July 2017, and for the first time, customers have also received a decision regarding their unemployment benefit via a virtual mailbox, from which the original application was sent to the BA online. With this step, the

application for unemployment benefit from the customer's point of view is digital from end-to-end. Decisions regarding further services are to follow.

In 2017, additional application lines were launched. It is now possible to apply for insolvency, integration and seasonal short-time working allowances via the online portal. To help applicants submit their applications for the Vocational Training Allowance (BAB), additional online forms were provided for benefits including "Further approval of BAB for training", "BAB for pre-vocational training measures" and for "BAB for the unemployed" on the Internet.

EXPENDITURE FOR SEASONAL SHORT-TIME WORKING ALLOWANCES FOR THOSE IN THE CONSTRUCTION INDUSTRY

IN THE MONTHS FROM JANUARY TO MARCH 2017 SEASONAL SHORT-TIME BENEFITS WERE GRANTED FOR 254,400 PEOPLE. IN 2017, THE TOTAL BENEFIT EXPENDITURE STOOD AT

€ **290.39**
MILLION.

THE PAY-AS-YOU-GO EXPENDITURE ON ADDITIONAL WINTER BENEFITS, GRANTS FOR WINTER BENEFITS AND THE REIMBURSEMENT OF SOCIAL SECURITY CONTRIBUTIONS TO EMPLOYERS STOOD AT

€ **358.25**
MILLION.

In addition to the new applications, existing application channels were also streamlined and improved: Customers can now enjoy an overview of the documents to be submitted, which since July 2017 has also been possible online. Services relating to additional income and employment incapacity are also available online.

SHORT-TIME WORKING BENEFIT PAID OUT AT A LOW LEVEL

The use of short-time working benefit is at a low level compared to the previous year, and has also continued its decline. Short-time benefit expenditure stood at EUR 89.19 million.

EXPENSES FOR INSOLVENCY PAYMENTS

IN 2017, A TOTAL OF EUR 686.71 MILLION IN INSOLVENCY PAYMENTS AND SOCIAL SECURITY CONTRIBUTIONS WERE PAID. 156,000 APPLICATIONS WERE SUBMITTED AND

128,000
APPLICATIONS WERE APPROVED.

BASIC INCOME SUPPORT FOR WORK SEEKERS

IN 2017,

4.37

MILLION EMPLOYABLE
INDIVIDUALS AND

1.70

MILLION UNEMPLOYABLE
INDIVIDUALS

RECEIVED BENEFITS IN THE FORM
OF BASIC INCOME SUPPORT FOR
JOBSEEKERS.

ALLEGRO – IT PROCEDURE FOR SGB II SERVICE PROVISION FURTHER DEVELOPED

The processing of communities in need, where the children are regularly associated not just with one but with both communities in need of the parents due to the parents' respective rights of access, has been made easier for members of staff. Above all, however, the corresponding decision notifications for customers have become significantly shorter and easier to understand.

The conceptual work for automated support being provided for the hearing, cancellation and reimbursement process has been successfully completed.

Implementation work in ALLEGRO has already begun and is expected to be completed in 2018.

The 9th Amendment Act for SGB II was implemented in 2017 in the IT procedure.



The code for the film:

“The E-File – The Path
from Paper to Pixel”

STRUCTURES IN BASIC INCOME SUPPORT MODERNISED – ELECTRONIC FILING INTRODUCED IN SGB II

In 2017, the BA pursued its eGovernment strategy with one of the world's largest file digitalisation projects. Following its rollout in the Employment Agencies (2011-2013) and the Family Benefits Offices (2012-2014), electronic filing (eFile) has also been in place for basic income support services for job seekers since August 2016. All inbound mail is now – with a few exceptions – digitalised and largely assigned automatically to a file.

At the end of 2017, just under 40,000 users were working with eFile in 214 joint institutions.

The eFile paves the way to a near-paperless office and a modern form of administration. With extensive decentralised design options, the eFile also adapts to local processes and conditions – both a challenge and success factor at the same time.

By mid-2018, the eFile will be available to all 303 joint institutions as a future-oriented IT process. Around 63,000 users will then be using them in their daily work.

BA PLANS ONLINE CHANNEL FOR JOINT INSTITUTIONS

EXPLOITING THE OPPORTUNITIES OF DIGITALISATION IN SGB II

On the one hand, the progressive digitalisation of all areas of society offers the opportunity for a significant increase in efficiency while, on the other, placing administration under a high level of expectation and pressure: Citizens want to be able to address their concerns online.

The trend towards the introduction of eGovernment services in public administration is correspondingly strong. The BA has already introduced a modern online service within the legal sphere of SGB III. For the legal sphere of SGB II, however, the offer is limited to the labour market and the provision of information.

Against this backdrop and starting in 2016, the preliminary study “gE-online” has looked at the technical feasibility of a needs-based online offering of joint institutions. The following objectives were considered:

- All customer concerns can also be addressed online. Mandatory online use does not, however, apply.
- Communication, support and integration are supplemented and improved by way of digital offers.
- Continuous digital processes simplify work and create sources of internal efficiency potential.

BASIC OFFER SHOULD OPEN THE ONLINE CHANNEL TO THE JOBCENTER

Upon completion of the preliminary study at the beginning of 2017, a proposal for implementation was submitted to the Federal Ministry of Labour and Social Affairs (BMAS). For the first time, this envisages opening the online channel for the joint institutions with a basic offer. With regard to basic income support, customers can deal with the most common and important issues around the clock and online. This subsequently implements the minimum requirements for a contemporary online offer.

The provision of the basic offer also provides an opportunity to continue the process of digitalisation in future. In doing so, the online offers could be extended to include guidance and placement services, while considerable opportunities for the simplification, acceleration and effectiveness of the internal processes could also be created by way of consistent digitalisation.

This project opens up the possibility for a long-term transformation in one of the most important areas of social administration, and would pave the way for the joint institutions to implement a modern, digital administration.

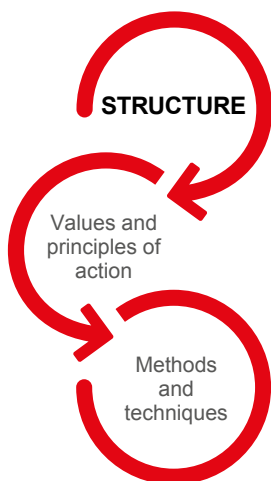
JOINT INSTITUTIONS – NOW ONLINE

Following a positive decision by the BMAS to implement the basic offer, the BA launched the JOINT INSTITUTIONS - ONLINE project on 18 September 2017. The implementation process includes creating an online customer account, receiving online applications for SGB II and the possibility of online contact with the joint institution at any time and from any location. The initial functions should be available as early as the beginning of 2019 and should be continually expanded and improved as the project progresses.

A focus within implementation is on the topic of participation. The future users should be intensively involved in the development of the online offer. This essentially translates into opening up the project and development process, in order to be receptive to ideas from key stakeholders outside the project and the administration. In addition, the Federal States and municipal associations are to be continuously involved in its development.

Participation should help to reliably monitor the expectations and requirements of the online offer during its development, as well as to deal directly with the users regarding their issues. The BA also expects that joint institution customers will learn about the planned online offer at an early stage, thereby enabling the highest possible usage rate right from the start.

STATUTORY BENEFIT GUIDANCE (SGB II) INTRODUCED NATIONWIDE



Statutory benefit guidance (SGB II) is, as an expert consultation process, tailored specifically to the needs of those receiving the benefits. The focus is on three levels:

- Designing the guidance given as a process,
- The application of those values and principles of action that are conducive to guidance, as well as
- The use of methods and techniques.

Within the framework of a qualification series, the technical and legal knowledge base of members of staff is expanded to include social-communicative competences.

The introduction of statutory benefit guidance (SGB II) is not obligatory. The joint institutions reach the decision independently – from the start, however, there has been a great level of interest. Initial successes have already been registered: Sound guidance as part of the service provision fosters the image and acceptance of the work conducted by the joint institutions in the medium term and ensures a greater level of trust – including in terms of public perception. This has a positive effect on customer satisfaction. As a result, complaints can be reduced.



STATUTORY BENEFIT GUIDANCE (SGB II)

OFFERING VOCATIONAL GUIDANCE IS A MANDATORY TASK OF THE JOBCENTER – INCLUDING WHEN DETERMINING BENEFITS. WITH THE GUIDANCE CONCEPT, AN OFFER TO STRENGTHEN THE APPRAISAL AND CONSULTATION SKILLS AMONG MEMBERS OF STAFF WORKING WITHIN THE PLACEMENTS DIVISION WAS ALREADY LAUNCHED IN 2012 – HOWEVER, THERE WAS NO EQUIVALENT OFFERING FOR THE BENEFITS DIVISION. THIS GAP HAS BEEN CLOSED WITH THE INTRODUCTION OF STATUTORY BENEFIT GUIDANCE (SGB II). AS PART OF A TRIAL (OCTOBER 2015 TO JUNE 2016 – EIGHT JOBCENTERS – 145 EMPLOYEES) ITS PRACTICAL SUITABILITY WAS CONFIRMED. IN 2017, THE NATIONWIDE ROLLOUT PHASE BEGAN.

KEEPING AN EYE ON THE ORGANISED ABUSE OF BENEFITS BY JOBSEEKERS CLAIMING BASIC INCOME SUPPORT

In some regions of Germany the organised abuse of benefit claims by EU citizens under SGB II has been proven; in other regions, a corresponding suspicion has been registered. The organised abuse of benefits is a special form of fraud in which well-organised gangs deliberately lure people from Eastern European countries into Germany on false pretenses. The backers often pose as landlords, interpreters and employers. As an employer, they falsify employment relationships in order to obtain (unlawful) benefit payments to EU citizens who are economically dependent on them, before withholding the greater part of the funds. In other cases, individuals trafficked to Germany appear to be self-employed and submit fake invoices to supposed clients.

The BA continues to cooperate intensively with the Federal Ministry of Foreign Affairs, the Federal States and municipal associations in this area, and has agreed to close cooperation between the competent authorities. It has also adopted a package of measures to provide sustainable support to joint institutions in the fight against the abuse of benefits. In some cases, the measures have



PROJECT LEVELS JOINT INSTITUTIONS – ONLINE

LEVEL 1 BASIC OFFER = PROJECT JOINT INSTITUTIONS – ONLINE	LEVEL 2 FULL OFFER	LEVEL 3 INTEGRATED DIGITALISATION
2018	2020	2023
Payment of benefits	Market and integration	Internal processes
Knowing customers and using the online offer	Customers can manage everything online	The processing is done digitally
Customer portal and online applications	Communication and collaboration	Online functions and design according to state of the art technology
Immediate customer benefit	New opportunities for collaboration between customers and joint institutions	Significant efficiency potential

Source: Federal Employment Agency

already taken effect: Jobcenters have rejected applications with fake documents and discontinued illegal payments. The perpetrators will have to answer in court for their actions.

In order to prevent (or at least reduce) damage to the community of taxpayers in the future, safeguards have been put in place to detect fraud cases as early as during the processing of any claims.

FAMILY BENEFITS OFFICE (FAMILIENKASSE)

In order to meet the demands of its customers when providing an effective service, and to master the challenges of a modern and efficient administration, the Family Benefits Office operated by the BA has added a multitude of innovations to the agenda with its development programme “FamKa 2020”.



INTRODUCTION OF THE “KIZ-LOTSEN” CALCULATION AID – THE EASY WAY TO YOUR CHILD ALLOWANCE

With the introduction of the innovative and interactive “KiZ-Lotse” calculation aid, the Family Benefits Office is breaking new ground in terms of its information offering. Potential applicants can quickly and easily determine if they are entitled to a child allowance. With the help of videos, which can be interactively controlled by the user, you can streamline a complex offer of information and avoid time-consuming applications, meaning that you will quickly receive the right answers. Even in special cases or

when there is an absence of eligibility, the “KiZ-LOTSEN” calculation aid does not leave the user without any assistance. Further assistance is always provided, or an indication of the appropriate guidance offer.

COOPERATION AT EU LEVEL REINFORCED

In the last few years, the Family Benefits Office has been making increasing efforts to get to know its contact partners working in other European countries, in order to promote a mutual understanding of certain processes and backgrounds, and to agree on sound arrangements for joint cooperation going forward. In addition to a number of Liaison Officer meetings (including with Romania, Denmark and the Czech Republic), a Family Benefits Congress was held in the summer, with representatives from 12 different nations of the European Union and Switzerland participating. The aim of the efforts is not only to facilitate a professional exchange, but also in particular to increase or strengthen the partner network.

FAMILY BENEFITS OFFICE CONSOLIDATION REDUCES COSTS

As of 1 January 2017, the “Law terminating the special sphere of public sector competence for the provision of family benefits” (“Gesetz zur Beendigung der Sonderzuständigkeit der Familienkassen des öffentlichen Dienstes”) came into force. This allows the Family Benefits Offices run by the Federal States and municipalities (approx. 7,500) to hand over responsibility for the processing of child benefit claims to the Family Benefits Office of the BA. Federal Family Benefits Offices (approx. 100) will hand over the payment process for child benefit to the Federal Administration Office (BVA) or the Family Benefits Office of the BA by the end of 2021. With this transfer of responsibility, an efficient and cost-effective administration is achieved while the application of law is also harmonised.

By the end of 2017, 105,000 children from more than 3,000 public sector Family Benefits Offices were transferred to the Family Benefits Office of the BA. On balance, almost 6,000 public sector Family Benefits Offices with roughly 1.30 million children are aiming to end their special responsibilities by 2022, and hand over processing to the Family Benefits Office of the BA.



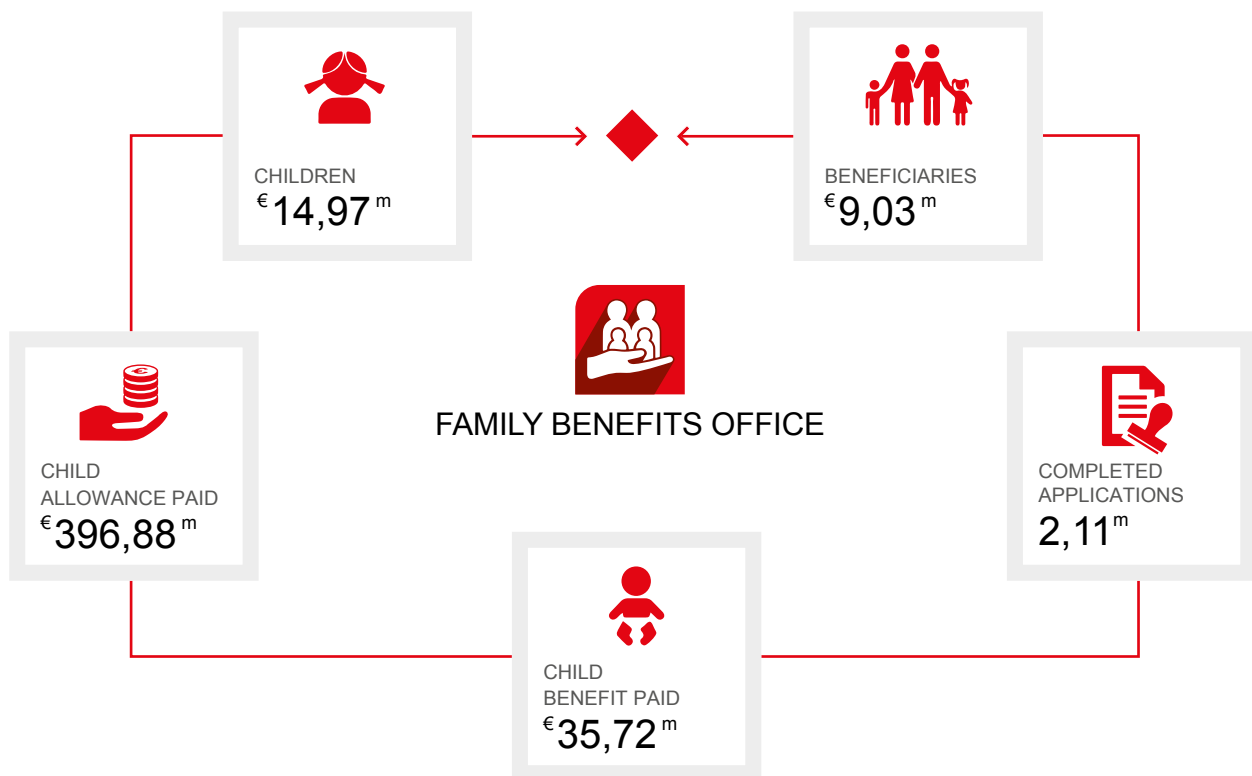
ONLINE PORTAL FOR FAMILY BENEFITS AND OFFERS (OPAL) TO DIGITALISE EXISTING PROCESSES

OPAL started in November as a model project for the entire BA to digitalise core child benefit processes, from the online application through to automated end-to-end processing. OPAL adopts an agile workflow in interdisciplinary teams on the technical and development side, while consistently focussing on customer needs. The aim is to develop a vivid (and above all) bureaucracy-free solution that is improved at regular intervals by integrating customer needs. Development efforts will continue in 2018.

TARGET AND CONTROL SYSTEM SUCCESSFULLY INTRODUCED

The target and control system for the Family Benefits Office was fundamentally revised and successfully introduced in 2017. The involvement of managers from the regional Family Benefits Office in the development phase helped to promote its acceptance. The introduction was preceded by a comprehensive communication process in which all employees were comprehensively informed about the new targets. A guarantee for a successful target and control system is the level of employee understanding about what is being pursued with the individual targets, and what is the contribution of each and every single member of staff.

THE FAMILY BENEFITS OFFICE 2017 IN NUMBERS



Source: Federal Employment Agency

FACTS AND FIGURES

5.7%

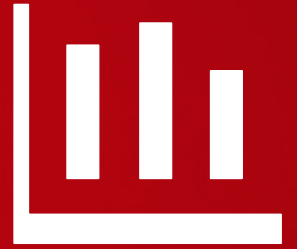
UNEMPLOYMENT RATE

49%

PROPORTION OF WOMEN IN
MANAGEMENT POSITIONS

€ 31.87^{bn}

THE TOTAL EXPENSES AMOUNTED TO



TRAINING MARKET 2017

VIRTUALLY EQUALISED IN PURE NUMBERS

548,000

REPORTED APPLICANTS FOR
TRAINING MARKET VACANCIES



+0.0%



+0.8%

522,000

REGISTERED COMPANY
TRAINING PLACES

ACHIEVING **EQUALITY IN THE MARKET** WAS PARTIALLY INHIBITED BY SUBSTANTIAL IMBALANCES, WHICH SUBSEQUENTLY CREATED VERY DIFFERENT OPPORTUNITIES IN TERMS OF REGION, PROFESSIONAL EXPERIENCE AND QUALIFICATION.

REGIONAL DIFFERENCES

APPLICANTS HAD A GOOD
CHANCE OF FINDING A
TRAINING PLACE IN THE
FEDERAL STATES OF

BAVARIA
THURINGIA
MECKLENBURG-
VORPOMMERN

THERE WERE FEWER
OPPORTUNITIES FOR AN
APPRENTICESHIP POSITION
FOR APPLICANTS IN

BERLIN
NORTH RHINE-
WESTPHALIA
HESSE



100

COMPANY TRAINING
MARKET VACANCIES

105

APPLICANTS



FOR 100 REGISTERED TRAINING MARKET
VACANCIES, THERE WERE 105 REGISTERED
APPLICANTS

PROFESSIONAL DIFFERENCES

OCCUPATIONS WITH
VACANCY ISSUES, E.G.

FOOD PRODUCTION
AND SALE
HOTEL AND GASTRONOMY
CONSTRUCTION

UTILITIES AND SUPPLY
SERVICES E.G.

OFFICE AND
ADMINISTRATION
COMPUTER SCIENCE
CAR TECHNOLOGY

RESULT AT THE END OF THE CONSULTING YEAR (30 SEPTEMBER 2017)

24,000

UNSUPPORTED APPLICANTS



+15%



+13%

49,000

VACANT TRAINING MARKET
VACANCIES

57,000

APPLICANTS WITH AN ALTERNATIVE



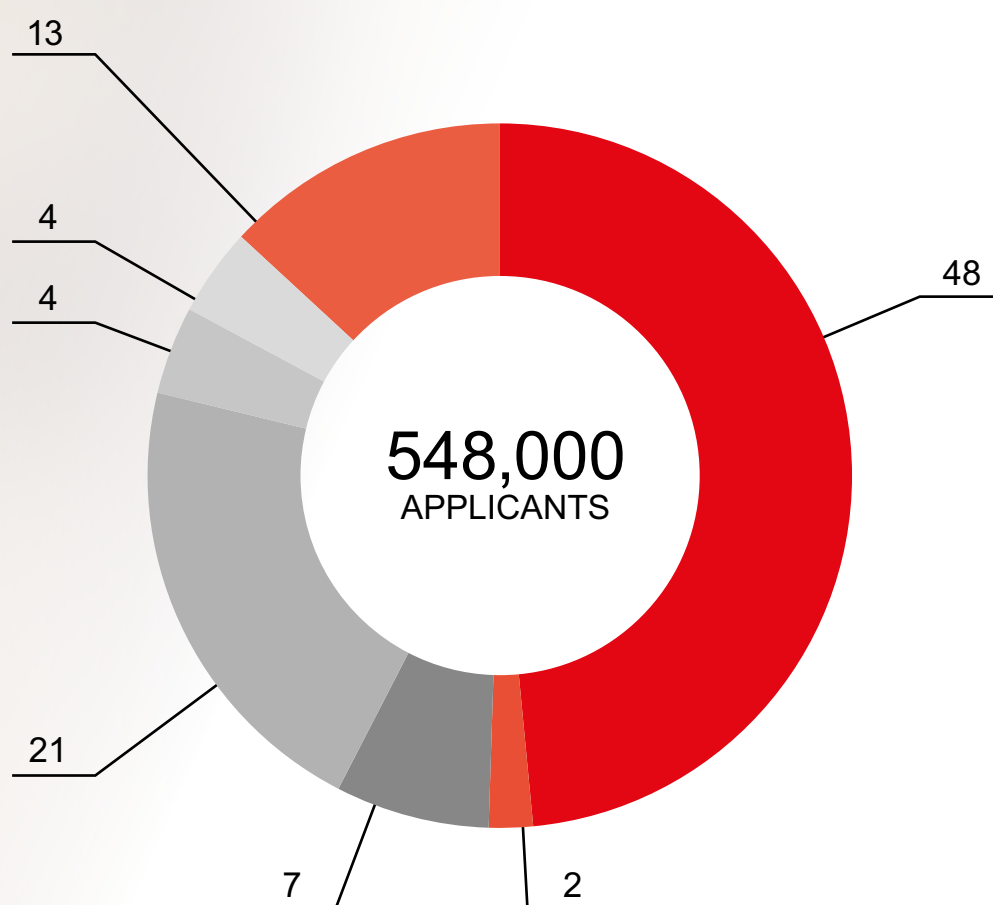
-6.0%



REMAINING REGISTERED APPLICANTS FOR TRAINING MARKET VACANCIES

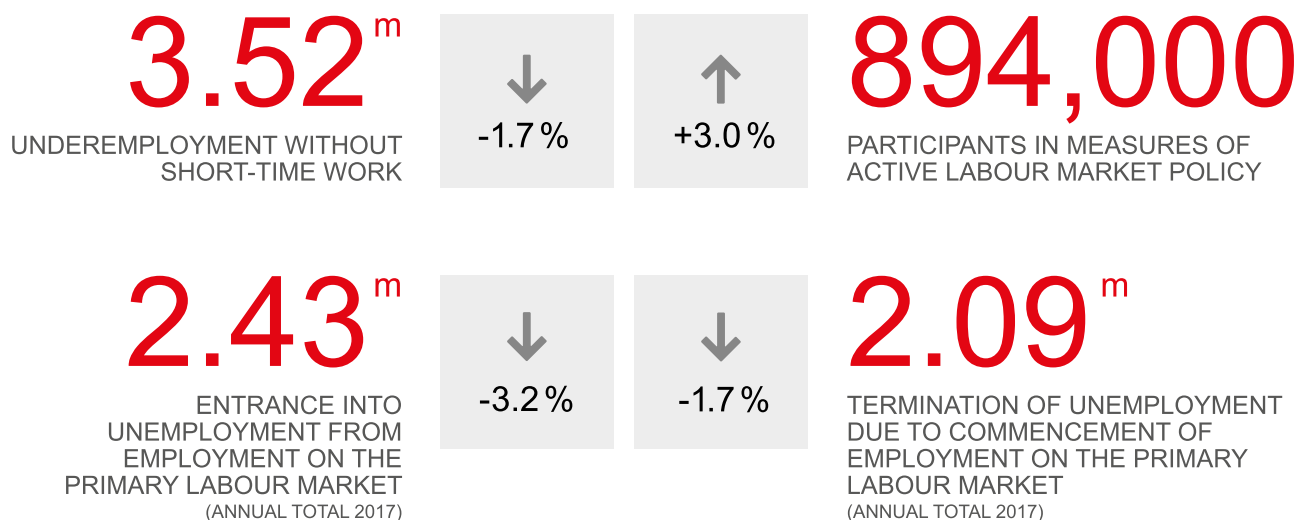
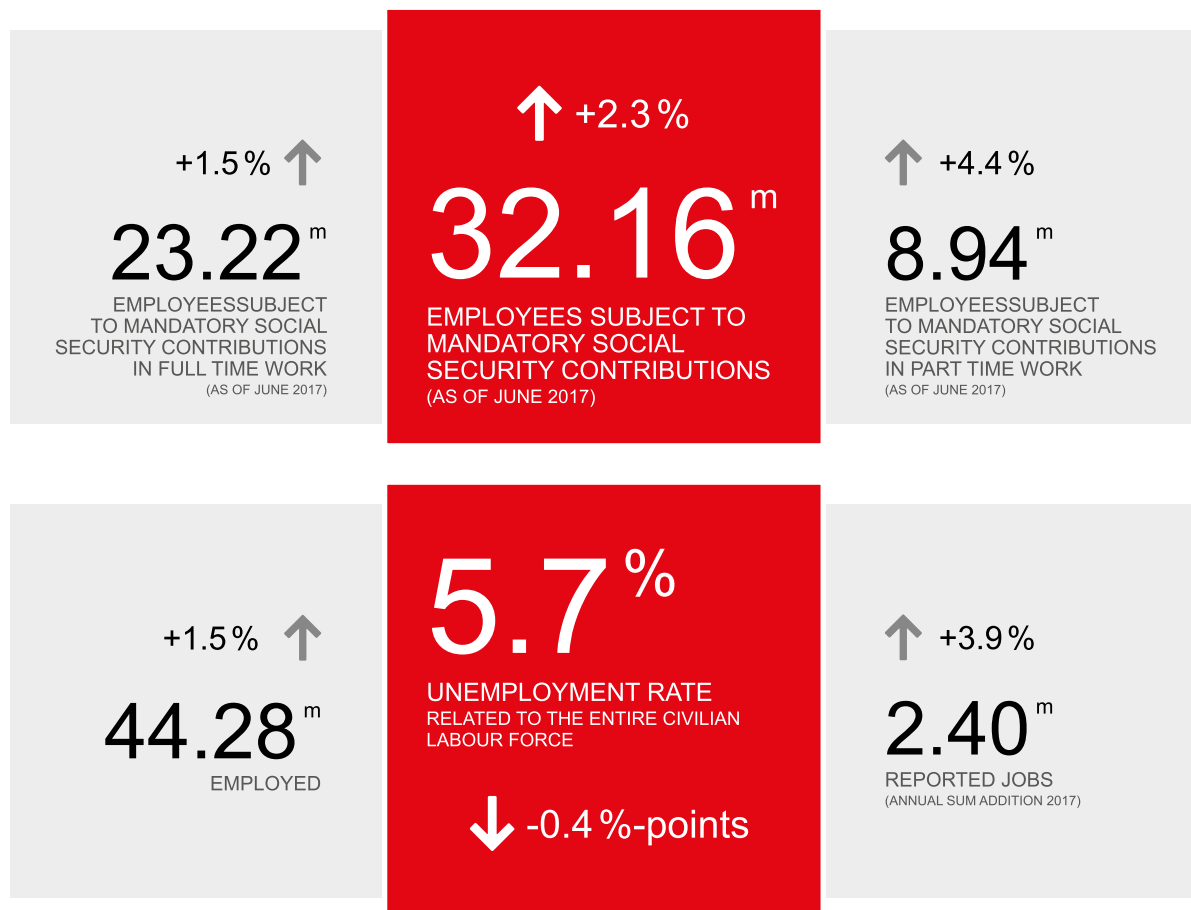
30 SEPTEMBER 2017; NUMBERS IN PER CENT

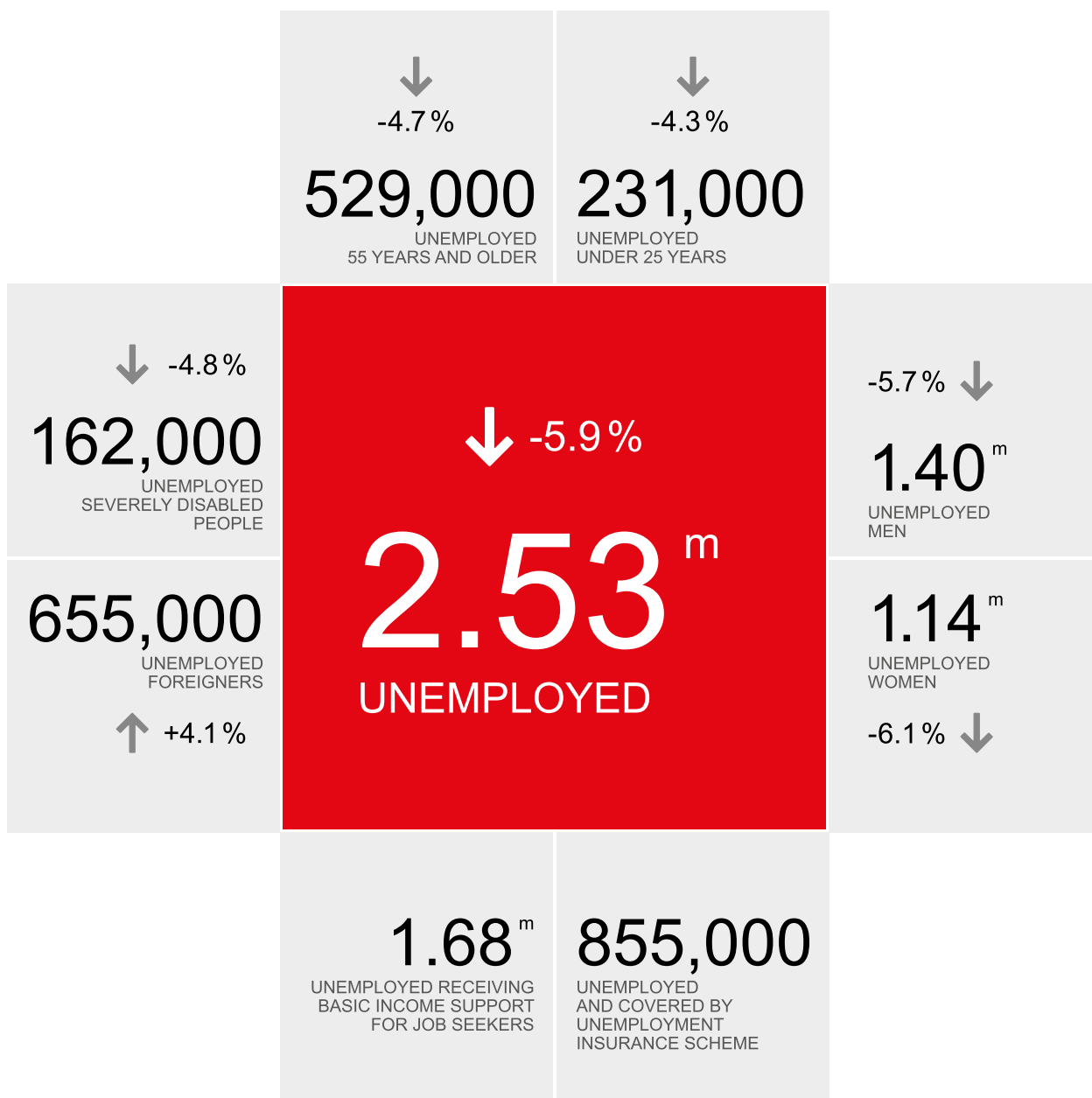
Due to rounding errors, the total may deviate from 100 %.



■ VOCATIONAL TRAINING ■ CONTINUATION OF VOCATIONAL TRAINING ■ EMPLOYMENT
■ SCHOOL, VOCATIONAL SUPPORT OR SIMILAR ■ UNEMPLOYED ■ UNSUPPORTED APPLICANTS ■ WITHOUT INDICATION

LABOUR MARKET 2017





Annual average for 2017, unless otherwise stated.

4.37^m

RECIPIENTS OF
UNEMPLOYMENT BENEFIT II
(EMPLOYABLE BENEFICIARIES)

↑ +1.2%

745,000

RECIPIENTS OF
UNEMPLOYMENT BENEFIT

↓ -5.3%

3.26^m

COMMUNITIES
OF NEED

↓ -0.1%

LABOUR MARKET RESEARCH

UNEMPLOYMENT DECLINES TO BELOW 2.5 MILLION

The economy in Germany is enjoying an upswing, supported by both the global economy and the domestic economy. For 2018, the IAB expects real gross domestic product to grow by 1.7 per cent. However, despite generally good macroeconomic conditions, risks do however remain – above all with regard to the consequences of Brexit and ongoing US economic policy.

According to the IAB forecast, unemployment will decrease by an annual average of 60,000 to 2.48 million in 2018. Reported temporary increases in unemployment as a result of the influx of refugees have been compensated by otherwise good economic developments, but have slowed the decline in unemployment.

The upward trend in employment continues its momentum. For the year 2018, the IAB expects an increase of 550,000 people in work. This increase is solely due to rapidly growing employment that is subject to mandatory social security contributions. The labour force potential, i.e. the supply of manpower, has increased by 260,000 to 47.32 million people, despite high levels of immigration and a negative demographic development. Despite a decline in average working hours per employee by 0.2 per cent, the volume of work has increased by 1.1 per cent and now stands at a record level of 60.58 billion hours in 2018.

While labour demand remains very high, the potential for further employment increases is projected to reach its limits in the future. If the demographic effect is also to be mitigated through migration in the future, Germany must strengthen an open and employment-oriented immigration policy.

KEY FOCUS AREAS OF IAB IN 2017

- 50 years of IAB: International symposium – “Working Worlds in Transition – Challenges for Politics and Research” (“Arbeitswelten im Wandel – Herausforderungen für Politik und Forschung”) with an opening ceremony in Berlin on the topics of digitalisation of the working world, social cohesion and flight migration, anniversary magazine and anniversary blog “IAB 5.0”
- 25 years of the IAB Business Panel: Scientific symposium
- Ten years of labour market and poverty research based on the longitudinal survey “Panel Labour Market and Social Security” (PASS): User conference
- Launch of the online magazine “IAB-Forum” as a successor to the previous print magazine: including a number of series on minimum wage evaluation and PASS
- Conference “Science Meets Practice” (“Wissenschaft trifft Praxis”) on the topic of “Occupations in the Digitalised World of Work”
- Focus topic: “Long-term benefits receipt”: Workshops and the development of a new process database for research
- Focus topic: “Quality of employment”: Workshops and the publication of a research dataset as part of studies into “Mental health at work”
- Further evaluation of instruments and programmes used in active labour market policy



STAFF

DEVELOPING STRONG WORK RELATIONS AND GREAT WORKING CONDITIONS – PROMOTING EXPERTISE, HEALTH AND COMMITMENT

HEALTH STRATEGY 2025 – REALIGNMENT OF THE OCCUPATIONAL HEALTH MANAGEMENT SYSTEM

The staff policy implemented by the BA is being increasingly adapted to the requirements of the “World of Work 4.0”. Therefore, the focus of attention is on the development of good working relationships and working conditions, in view of the fact that the successful work of the BA remains in the hands of committed and competent employees. With the “Health Strategy 2025”, which was introduced in 2017, the holistic promotion of employability at every stage of life becomes the joint task of managers and employees. An appreciative dialogue also acts as the foundation of good employee-centric leadership and collaboration. In this context, the survey entitled “Driving commitment” (“Engagementförderung”) is an important preventive tool that is also used when promoting the issue of mental health in the workplace.

COMMITMENT SURVEY FURTHER DEVELOPED

In October, the BA's fourth nationwide commitment survey – which has been the subject of further development and testing – was carried out across ten employment agencies. For the first time, it was also piloted within the scope of SGB II in six joint institutions. A management feedback process based on leadership and collaboration principles has also been integrated.

As part of the follow-up process to the survey, and beginning at the turn of the year, the results at team level and all other levels will be used to shape good working relationships and working conditions in future. For this purpose, a dialogue-oriented and participative approach has been adopted for the sustainable implementation of measures.

AWARDED FOR WORK-LIFE BALANCE AND DIVERSITY

In view of its equality policy and, for the first time, its Diversity Management programme, the BA was awarded with the “Total Equality” predicate and the additional distinction of “Diversity” for the sixth time.

In addition, the “Organisational Service for Childcare and Supervision (OKiP)” was expanded, in particular with regard to assisting those who care for relatives, as well as an offer for household-related services.

As a basis for the ongoing development of mobile forms of work in the context of “World of Work 4.0”, future workshops were conducted with employees from three regional directorate districts and the Family Benefits Office.

GERMAN EDUCATION AWARD FOR OUTSTANDING EDUCATION MANAGEMENT AWARDED TO THE BA

For the fourth time, the BA received the Seal of Excellence from the German Education Award. This year, it was even awarded first place in the “Large company” category.

Among other things, it was emphasised that the BA has consistently pursued the important topic of “guidance” in the training and qualification of its staff, and that hundreds of learning supervisors have been trained to support members of staff in the workplace.

The intention of the initiators – the TÜV SÜD Academy and the EuPD Research Sustainable Management – is that companies should aim to promote and develop their employees in the context of strategic and structured education and talent management.



QUALIFICATION AND TRAINING – CONSTANT INVESTMENT BY THE BA IN ITS EMPLOYEES

More than 300,000 training days in the past year spanning the most varied seminars reflect the multifaceted tasks of the BA and the high level of investment it undertakes in the development of employee skills.

In line with the motto “Strengthening Employees – Promoting Qualification and Training”, the BA presented its broad-ranging further education courses to its employees in SGB II during “Day of the Jobcenter” in May 2017.

LIFELONG LEARNING ACHIEVES EVEN GREATER IMPORTANCE

The rate at which knowledge is rendered obsolete is becoming faster every day. Therefore, learning must be organised in such a way that employees develop a sense of self-confidence when handling complex, new and constantly changing tasks. The BA supports this approach in a number of ways, including through the increased use of workplace-related training tools for individual learning support.

DIGITALISING RECRUITMENT

With the introduction of an electronic application management system, the BA's HR department has taken another significant step towards increased digitalisation. Internal and external applicants can now apply online and the HR departments can deal with the subsequent processing with the help of IT support. With more than 9,000 new hires in 2017, this is an important step towards greater applicant orientation and efficiency.

QUALITY IN THE TRAINING OF JUNIOR STAFF AT THE BA REMAINS HIGH

The training of junior staff continues to be an essential pillar of BA's recruiting strategy: In 2017, more than 1,400 young people throughout Germany began their training, studies or trainee programme with us.

Once again, young people from a refugee background were recruited for training as specialists to be deployed in labour market services, this time with a total of 49 training

places. In preparation for this, the overwhelming majority took part in advance entry-level training.

In the past year, 275 trainees successfully completed their training as specialists in labour market services, or as IT specialists, chefs, budgetary staff and hotel managers. In addition, 426 undergraduate students successfully completed their study programmes in “Education, Profession and Employment Guidance” (“Beratung für Bildung, Beruf und Beschäftigung” and “Labour Market Management” (“Arbeitsmarktmanagement”); in addition, 36 trainees successfully completed their trainee programme to take up roles at the BA as managers and specialist staff.

The education and study programmes have received top marks for quality in the “Best Apprenticeship Provider” study undertaken by Capital magazine.

SCIENTIFIC QUALIFICATION AND TRAINING OFFERS EXPANDED FURTHER

In addition to the certificate programme entitled “Leistung SGB II”, the BA has now developed the certificate programmes entitled “Beratung” (“Guidance”) and “Vermittlung” (“Placement”) as further scientific qualification and training offers for employees of the Employment Agencies and joint institutions. 74 employees have already taken part in the pilot phase.

SHAPING THE FUTURE WITH FORWARD- LOOKING HR PLANNING

In order to be able to react early to changes resulting, for example, from demographic developments, the BA has established medium-term and long-term staff planning. This planning is the basis for strategic decisions regarding human resource allocation and organisational policy, as well as the implementation of gender equality.

The early detection of changes in the staff body and the derivation of measures (such as qualification and training) ensure the provision of a good level of service by the employees of the BA in the long term.



IMPORTANT KEY FIGURES FROM HR DISCIPLINES (VALUES ROUNDED)



Source: Federal Employment Agency

*This data is based on voluntary data as part of an internal employee survey from 2013

EMPLOYEE CAPACITY AT THE BA FULL-TIME

	TOTAL		UNEMPLOYMENT INSURANCE SCHEME AS WELL AS BASIC INCOME SUPPORT ¹		BASIC INCOME SUPPORT ²		FAMILY BENEFITS OFFICE	
	ACTUAL Previous year	ACTUAL	ACTUAL Previous year	ACTUAL	ACTUAL Previous year	ACTUAL	ACTUAL Previous year	ACTUAL
TOTAL	98,800	97,000	54,100	53,200	40,900	40,000	3,800	3,900
Of whom permanently employed	85,900	87,500	47,400	47,400	35,400	36,900	3,100	3,200
Of whom temporarily employed	12,900	9,500	6,700	5,800	5,500	3,100	700	700
INFORMATIONAL PURPOSES³								
Students	1,300	1,500						
Trainees	1,600	2,100						

¹ Employment Agencies, Regional Directorates, Special Services and Headquarters (including the Internal Service and Basic Income Support Services for job seekers).² Joint institutions and holistic task implementation for the basic income support services for job seekers.³ Junior staff will only be reported retrospectively in the total number.
Version: December 2017

Source: Federal Employment Agency



TARGETS AND FINANCES

TARGETS – THE IMPROVEMENT OF THE PROFESSIONAL PROSPECTS OF CUSTOMERS AND THE COVERAGE OF DEMAND FOR SKILLED WORKERS WERE SUPPORTED BY WAY OF INCREASED INVESTMENTS IN QUALIFICATION AND TRAINING

In 2017, the labour market offered favourable conditions for integration work at Employment Agencies and jobcenters. The increased demands placed on the qualification and training of employees made it more difficult to meet the demand for skilled workers in a timely manner. The professional qualification of customers is therefore of central importance. At the same time, the integration of refugees into the labour market and jobcenter remains a major challenge: Employment is a key component of successful social integration.

The targets behind the unemployment insurance scheme have led to a stronger focus on those customers who are particularly dependent on the BA's support services: Young people with and without a secondary school leaving certificate, people who have been unemployed for a long time, as well as small and medium-sized enterprises. On balance, the integration-oriented goals were achieved in 2017. In almost every third instance, imminent unemployment was able to be prevented before it even occurred. In almost half of all cases where unemployment had already occurred, this was able to be reversed by taking up employment. The targets set for the training market were also achieved, and the number of training opportunities was able to be increased again on the previous year.

Central concerns relating to basic income support include reducing the need for assistance, taking up and retaining a job, maintaining, improving or restoring people's earning capacity, securing people's livelihoods and avoiding the need for long-term benefits. An average of 3.28 million people received basic income support in 2017 across the joint institutions. The number of individuals entitled to work rose slightly compared to the previous year, as more and more refugees with a potential right to remain in the country were dependent on basic income support provided over the year. Nevertheless, the targets relating to

integration into the labour market were able to be met. Around one in four employable beneficiaries took up a form of employment subject to social security contributions in 2017. The balance of integration improved slightly compared to the previous year. From an average of 450,000 customers per year from the eight highest asylum seeking countries of origin – Afghanistan, Eritrea, Iraq, Iran, Nigeria, Pakistan, Somalia and Syria – nearly one in five was able to be integrated into the training or labour market. However, the chances of candidates permanently overcoming the need for help remained limited for many, due to a lack of formal qualifications. Nonetheless, the number of long-term benefit recipients continued to decline in 2017 too. The targeted reduction in long-term benefits was achieved.

POSITIVE FINANCIAL PERFORMANCE – ADDITIONAL REVENUE AND LOWER EXPENDITURE AS A RESULT OF SOLID ECONOMIC AND LABOUR MARKET DEVELOPMENT IN GERMANY

The BA closed the financial year 2017 with a positive balance of EUR 5.95 billion. In budgeting terms, a surplus of EUR 1.50 billion was still being anticipated. The positive development in the labour market and a strong increase in employment made this great result possible.

On balance, the BA generated revenues totalling EUR 37.82 billion and spent EUR 31.87 billion. Calculated revenues were exceeded by EUR 0.38 billion. Of the planned expenditure amounting to EUR 35.94 billion, EUR 4.07 billion were not required.

↑ +4.2 %

€ 1.32 bn

MORE REVENUE
THAN LAST YEAR

↑ +3.2 %

€ 978 bn

MORE EXPENDITURE
THAN LAST YEAR

↑ +50.6 %

€ 5.79 bn

INCREASE IN THE
GENERAL RESERVE

REVENUES

Employment reached a new record high and, together with an increase in gross wages, resulted in contribution revenues of EUR 32.50 billion. The previous year's value was exceeded by EUR 1.32 billion.

EXPENDITURE

The expenditure also helped to improve the surplus. EUR 8.00 billion was directed into the active promotion of employment. The forecast amount was undercut by EUR 1.90 billion.

The number of unemployment benefit claimants continued to decline due to the positive situation on the labour market. Expenditure also fell in line with this development. Of the planned EUR 15.59 billion, a total of EUR 1.57 billion were not used.

The EUR 9.39 billion budgeted for staff, administration and collection fees was undercut by EUR 0.40 billion.

PENSION FUND

In order to secure its pension obligations, the BA has set up a pension fund, which is expanded by way of regular allocations from the unemployment insurance scheme budget. The current interest rate situation has led to a shortfall in the BA's pension fund. In order to close this gap, the expenditure planned for 2017 includes special allocations amounting to EUR 0.70 billion.

RESERVES

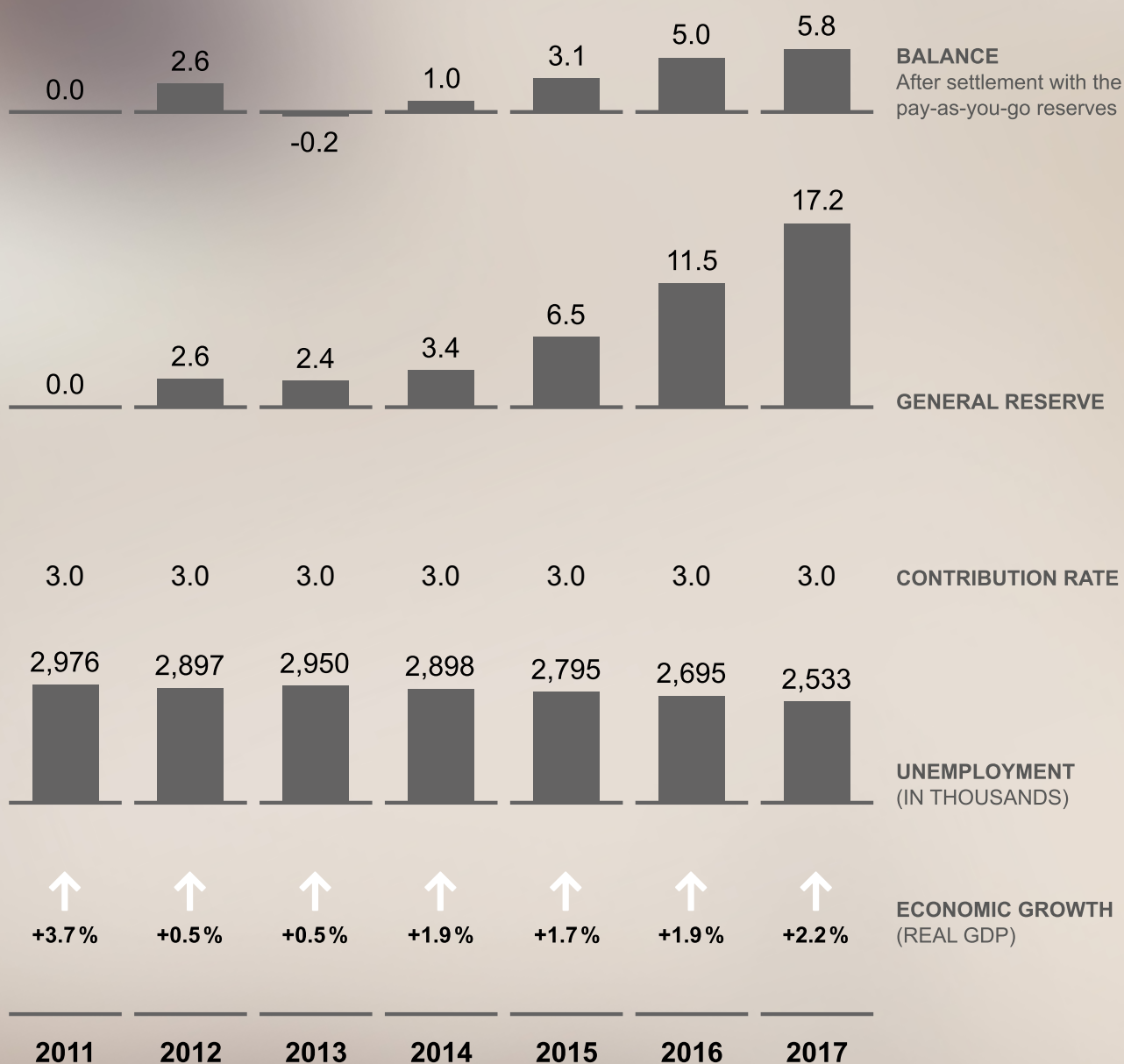
The reserve portfolio increased to EUR 17.25 billion. In addition, the BA manages the reserves for insolvency payments (EUR 1.82 billion) and winter employment (EUR 0.33 billion).

From the point of view of the BA, a reserve of approx. EUR 20 billion should be strived for, in order to cope with the cyclical fluctuations that affect income and expenditure.



FINANCIAL DEVELOPMENT IN UNEMPLOYMENT INSURANCE SCHEME

AMOUNTS IN EUR BILLIONS



Source: Federal Employment Agency

ANNUAL REPORT 2017

Sixty-Sixth Annual Report of the Federal Employment Agency

For the period from 1 January to 31 December 2017, the Executive Board offers the following Annual Report approved by the Board of Governors pursuant to Section 393(2) Book 3 of the German Social Code (SGB III).*

*Remarks on Book 2 of the German Social Code (SGB II) are not subject to approval by the BA's Board of Governors

ANNEX





CORPORATE GOVERNANCE REPORT

Good corporate governance, increased efficiency and transparency are also crucial for state-owned companies and organisations. Therefore, the leadership of these companies and organisations must be guided by the ongoing development of modern governance structures. The Federal Ministry of Finance has created the “Public Corporate Governance Code” in connection with the Participation Policy set out by the Federal Government, which offers a compilation of principles of good corporate governance. On the basis of this Public Corporate Governance Code, the BA would like to provide insight into its governance structures. The Corporate Governance Report is now in its eighth year.

1. PREAMBLE

The BA would like to present a Corporate Governance Report for the 2017 financial year based on the Public Corporate Governance Code. The aim is to create transparency and traceability in terms of corporate governance and monitoring.

In accordance with Section 6.1 of the Public Corporate Governance Code, the Executive Board and the Board of Governors at the BA declare that, in principle, its recommendations have been and will be met. Deviations are attributable to the fact that legal regulations take precedence over the Public Corporate Governance Code.

The stringent separation of 1. responsibility for operational business by management and 2. the control and advisory functions executed as part of self-governance, are clearly enshrined in law.

2. EXECUTIVE BOARD (SECTION 381 SGB III)

The Executive Board manages the BA, it conducts its business and represents the BA in both judicial and extra-judicial proceedings. It consists of a chairman and two other members. Pursuant to Sections 9 et seq. of the Rules of Procedure for the BA's Executive Board, the Chairman of the Executive Board determines the guidelines for day-to-day management, taking into account the objectives set by the Executive Board with the approval of the Board of

Governors, or as agreed with the Federal Ministry of Labour and Social Affairs. He or she monitors the implementation of the Executive Board's resolutions and compliance with the key points of corporate management. Members of the Executive Board and managers report to the Chair for this purpose. Each member of the Executive Board is responsible for the business divisions assigned to him or her, he or she carries out the duties assigned to them within the corporate management guidelines independently, and in doing so represents the Executive Board internally and externally. All members of the Executive Board have equal rights in carrying out these tasks. The BA is managed by the Executive Board as a “collegial body”. In this respect, the Chair of the Executive Board represents the Executive Board internally and externally.

The BA has not in fact taken out pecuniary damage liability insurance for the members of the Executive Board – but has had D&O insurance since 1 January 2013.

No loans were made to the members of the Executive Board or of the Board of Governors.

Within the scope of corporate governance, the Executive Board has developed an institutionalised risk management system for the BA through which it obtains regular information about the risks that have occurred and about possible future risks. The objective is to plan preventive measures for safeguarding the organisation. Every six months, the Chair of the Executive Board passes this information on to the steering committee of the Board of Governors. In accordance with the management principle described above, in this risk management system, the responsibility for identifying risks and the measures planning resulting from them continues to lie with the business divisions.

Corruption prevention as part of the performance of duties by the legal/data protection/compliance departments is directly assigned to the Executive Board. The BA is a member of Transparency International.

At the suggestion of the Board of Governors, the members of the Executive Board are nominated by the Federal Government and appointed by the Federal President. The

members of the Executive Board are in public employment. The term of office of the members of the Executive Board is five years. Several terms of office are permitted (Section 382 SGB III).

In addition, the legal status of the members of the Executive Board is regulated, in particular with regard to pay, by contracts that the Federal Ministry of Labour and Social Affairs concludes with the members of the Executive Board and that require the approval of the government (Section 382(6) SGB III).

3. BOARD OF GOVERNORS (SECTIONS 371, 373 SGB III)

3.1 ORGANISATION AND TASKS

The Board of Governors has 21 members and is made up, in equal numbers, of members representing employees, employers and public bodies. Each group can nominate up to five deputies. Deputies have the rights and duties of a member for the period in which they represent a member. A member representing a public body cannot preside over a self-governing body.

The Board of Governors supervises the Executive Board and the administration and advises them in all questions relating to the labour market. It approves the budget prepared by the Executive Board (Section 71a SGB IV). The definition of the strategic alignment and the BA's business objectives are also subject to approval by the Board of Governors (Article 4 of the Charter of the BA).

For the purpose of preliminary deliberation on topics, the Board of Governors has established two committees (Section 14 of the Rules of Procedure of the Board of Governors):

- Committee I for strategic decisions, questions related to the budget and to self-governance,
- Committee II for the subjects of labour market policy, labour market research and cash benefits.

Both these committees are also concerned with the audit reports from Internal Audit and from the Federal Audit Office, and in this way act as an audit committee.

To ensure continuous and prompt cooperation with the Executive Board, the Board of Governors has formed a presidium consisting of the Chair, the Deputy Chair and the spokesperson of the group of public bodies of the Board of Governors (Article 6 of the Charter of the BA).

Committees and the presidium cannot take decisions on behalf of the entire Board of Governors. Resolutions are reserved for the Board of Governors.

The Board of Governors and its committees check the quality and efficiency of their activity.

3.2 APPEALS PROCEDURE (SECTIONS 377 ET SEQ. SGB III)

The members of the Board of Governors are appointed by the Federal Ministry of Labour and Social Affairs. In the process, men and women are to be considered with the aim of their equal participation in the groups. Staff of the BA cannot be members of the Board of Governors.

The following are eligible to submit nominations for members of the groups of

- employees: unions that have signed wage agreements and their associations,
- employers: employers' associations that have signed wage agreements and their federations

that are of key significance for representing the interests of employees or employers.

The following are eligible to submit nominations for the members of the group of public bodies in the Board of Governors



- the Federal Government: three members
- the Federal Council: three members, and
- the umbrella association of local authority self-governing bodies: one member.

The term of office of the members of the Board of Governors is six years (Section 375 SGB III).

The members of the Board of Governors carry out their activities in an honorary capacity. They may not be hindered in taking over or exercising the honorary office or be put at a disadvantage on account of taking over or exercising such an office (Section 371(6) SGB III). They are not subject to any instructions of the organisation by which they were delegated (Article 2(3) of the BA's Charter).

In its recommendations to the administrative committees, the Board of Governors shows that a conflict of interest is to be avoided. It generally recommends that members disclose their concerns if a conflict of interest exists, or if partiality in view of the pending consultation is suspected.

No service or work contracts have been signed with the members of the Board of Governors.

4. REMUNERATION

4.1 REMUNERATION OF THE EXECUTIVE BOARD

During the past year, following the departure of the previous Chair of the Executive Board, Mr Frank J. Weise on 31 March 2017, the business of the BA was conducted by Mr Detlef Scheele (new Chairman of the Executive Board), Mr Raimund Becker (member of the Executive Board) and Ms Valerie Holsboer (newly appointed member of the Executive Board since April 2017). The total remuneration paid to the members of the Executive Board in 2017 amounted to approximately EUR 859,000.

4.2 REMUNERATION OF THE MEMBERS OF THE BOARD OF GOVERNORS

The members of the Board of Governors did not receive any remuneration. The BA reimburses members and representatives for their cash expenses and grants an allowance (Section 376 SGB III), which is currently EUR 26 for each session day.

5. AUDITING

The provisions of the Federal Budgetary Regulations apply analogously to the preparation and execution of the budget as well as to the BA's other fiscal management activities.

The general principles of fiscal management of the Federal Government are to be followed (Section 77a SGB IV).

The BA's annual financial statement is audited by the Federal Audit Office.

STATISTICAL INFORMATION



Statistical data on the application of labour market measures and on cash benefits (e.g. unemployment benefit, unemployment benefit II, short-time working allowance) is available only with a time delay, and is extrapolated based on the latest figures. In principle, annual totals or annual averages have been applied for this report.

Annual values based on extrapolated results were used to show entries in labour market measures. For some instruments (including the WeGebAU, IFlaS, promotion of participation programmes) and detailed information (e.g. proportion of women), flexible annual values of the months of October 2016 to September 2017 were taken into account with the territorial status of December 2017. Support data from the field of basic income support for job seekers were reported only for the jobcenters in the form of joint institutions, because corresponding budgetary data was also available here.

Extrapolated results for the year 2017 were used for the data of beneficiaries. In the process, flexible annual values

for the months of November 2016 to October 2017 were used for some detailed information (e.g. proportion of women) for the area of the unemployment insurance scheme, and flexible annual values for the months of October 2016 to September 2017 were used for the area of basic income support for job seekers.

The information on the funds invested reflects only the support programmes in the Employment Agencies / jobcenters (joint institutions) and refers to the full year of 2017.

The data on unemployment maps the full year of 2017.

All data – from support through to labour market measures – is mapped without non-recurring payments.

Labour market measures not mentioned in this present Annual Report and further data on the labour market and on basic income support for job seekers can be seen on the website of the BA's Statistical Service at www.statistik.arbeitsagentur.de.



AWARDS AND PRIZES

MARCH

Recognition by the “Corporate Sounds” award of the BA with the **“Transform Award Europe”** as “Highly commended” in the category of “Best use of audio branding”

APRIL

Recognition of the BA as a company of excellence for its education and talent management with the **German Education Award** (TÜV-SÜD) and first place in the “Large companies” category

Recognition for its campaign “Typically me! – Find a job that really suits you.” at the BA with the **“German Digital Award”** with bronze in the category “Branded Content – Influencer Marketing”

MAY

Award for the “WhatsMeBot” by the BA in the category “Innovative use of digital media” by the ADC

Presentation of the **“ADC Nagel”** award in bronze for the “WhatsMeBot” by the BA in the category “Social Media / Network” by the ADC

JUNE

Presentation of the **“Comenius-EduMedia-Siegel”** – a seal of excellence for the choice of media by the BA from www.planet-beruf.de for young refugees, as well as for the online application “check.work” by the BA’s regional directorate of Bavaria, in the category “Didactic Multimedia Products”

First prize from the European Commission for the German EURES-NCO in the category “Internal Communication”

OCTOBER

Presentation of the **GIGA-Maus** award for the choice of media by the BA from www.planet-beruf.de for young refugees in the category “Family” for “The Best Referencing and Research Programme”

Recognition by “WhatsMeBot” of the BA with the bronze **“MAX Award”** (German dialogue marketing award)

NOVEMBER

Recognition by the digital employer magazine “Faktor A” of the BA with the international **“iNOVA Award”** in the category “Government Organizations” in bronze and in the category “Non-Profit Organisations” in gold

DECEMBER

Recognition by the digital employer magazine “Faktor A” of the BA with the international **“ICMA Award”** in the category “Customer Magazines B2B online” as the Award of Excellence

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