



2021

Annual Report by the
Federal Employment
Agency



Bundesagentur für Arbeit
bringt weiter.

MISSION

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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ACHIEVEMENTS OF THE FEDERAL EMPLOYMENT AGENCY IN THE CORONA CRISIS

The Federal Employment Agency and its employees have also made a major contribution to securing people's livelihoods, the stability of society and the accomplishment of the transformation in the labour market in 2021.



CUSTOMER SERVICE

161,000

telephone calls to resolve client issues on a daily average

3.49^m

online processes handled



PAYMENTS

3.40^m

employees receiving short-time working allowance in February 2021

€ 20.22^{bn}

cyclical short-time working allowance including social security contribution refunds

€ 19.41^{bn}

unemployment benefit payments including social security contributions



SERVICE PROVISION

2.97^m

short-time working allowance notifications (employees)

3.95^m

short-time working allowance applications handled in an average processing period of

10.3 days

1.84^m

approved unemployment benefit applications



PERSONNEL

101,000

employees nationwide

Up to 55,000

employees able to work from home while home office was mandatory



IT LANDSCAPE

3

redundant computer centres

ca. 2,000

IT staff

10,000

Servers

185,000

networked PCs

ORGANISATION

PERSONNEL RESPONSIBILITIES

EXECUTIVE BOARD

- Chairperson of the Executive Board
- Board Member for Regions
- Board Member for Resources

CENTRAL OFFICE IN NUREMBERG
(Central personnel council)

10 REGIONAL DIRECTORATES
(District personnel council)

156 EMPLOYMENT AGENCIES AND
APPROX. 600 BRANCHES

302 JOBCENTRES RUN IN
COOPERATION WITH COUNTIES
AND INDEPENDENT TOWNS

Benefits aimed at facilitating workplace
integration and safeguarding the
subsistence of employable persons
entitled to benefits.

OFFICES

- FAMILY BENEFIT OFFICE
- INTERNATIONAL
SERVICES (ZAV)
- INSTITUTE FOR
IN NUREMBERG
- LEADERSHIP AC
- UNIVERSITY OF
STATE-APPROV
MARKET MANA
- IT SYSTEM HO
- INFORMATION T
- BA SERVICE HO
- SERVICE PROV

EMPLOYMENT AGENCY

REPRESENTATION

TS OFFICE

L AND SPECIALISED
) IN BONN

EMPLOYMENT RESEARCH

CADEMY AT THE BA (FBA)

APPLIED LABOUR STUDIES (HDBA) –
ED UNIVERSITY FOR LABOUR
GEMENT

SE –
TECHNOLOGY OF THE BA

USE –
DER OF THE BA

Each department has 1 personnel 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 BODIES

CONTENT

OUR PROFILE

BA Executive Board	8
Letter from the Executive Board	10
Board of Governors of the BA	12
Foreword by the Board of Governors	14

OUR STRATEGY

Our Strategy 2025: Today for Tomorrow	20
We Develop the "BA of the Future" Together	26

ANNEX

Corporate Governance Report	126
Statistical Information	130
Awards and Prizes	131



p. 38

Labour Market Data
2021

OUR YEAR 2021

Fields of activity and tasks of the BA	30
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Labour and Training Market

Labour and training market in the context of the corona pandemic	34
Labour market 2021	38
Training market 2021	41



Guidance, Placement and Training

Guidance and placement	46
Careers information and vocational training	51
Networks and partnerships	58
Employers' service	62
Specialist services	64
Equal opportunities for women and men	66
Long-term unemployment and social participation	70
Inclusion	72
Vocational rehabilitation	76
Further training	78
International work	80



Cash Benefits

Unemployment benefit, short-time working allowance and insolvency payments	88
Basic income support for job-seekers	94
Family Benefits Office	96



Further Tasks

Targets	102
Finances	104
Purchasing	108
Personnel	110
Digitalisation	116
Statistics	120
Labour market research	122

OUR PROFILE

DETLEF SCHEELE
Chairman of the Executive Board

DANIEL TERZENBACH
Board Member for Regions

CHRISTIANE SCHÖNEFELD
Board Member for Resources



The executive board manages the Federal Employment Agency and conducts its business.

BA EXECUTIVE BOARD

DETLEF SCHEELE

Chairman of the Executive Board

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

since 1. April 2017: Chairman of the BA Executive Board

2015: Member of the BA Executive Board

2011–2015: Senator for Labour, Social Affairs, Family and Integration in the Free and Hanseatic City of Hamburg

2010–2011: Spokesman of the Board of Management, ELBE-Werkstätten GmbH

2008–2009: State Secretary in the Federal Ministry of Labour and Social Affairs

1995–2008: Managing Director of HAB Hamburger Arbeit – Beschäftigungsgesellschaft mbH, from 1997 also
Managing Director of Arbeitsstiftung Hamburg – Gesellschaft für Mobilität im Arbeitsmarkt mbH

DANIEL TERZENBACH

BA Director Regions

born on 7 November 1980 in Freiensteinau, married, two children

since 14. March 2019: BA Director Regions

2017–2019: Quality, Realisation, Consultancy Director at the BA Central Office

2015–2018: Representative of the BA Executive Board for operative refugee management

2012–2017: Management functions in the operative management areas of the BA Central Office

2009–2012: Project leadership in the BA Central Office

2006–2009: Management position in the Märkischer Kreis jobcentre

CHRISTIANE SCHÖNEFELD

BA Director Resources

born on 11 July 1957 in Lüdenscheid, 2 children

since 25. September 2019: BA Director Resources

August 2018 – January 2019: Member of the Federal Government's Commission for
"Growth, structural change and employment"

2004–2019: Chairwoman of the BA Regional Directorate Board for North Rhine-Westphalia

1999–2004: Vice President of the North Rhine-Westphalia BA Employment Agency

1995–1999: Director of the Duisburg employment agency

1986–1995: Various positions in the Federal Employment Agency

LETTER FROM THE EXECUTIVE BOARD

Dear Sir or Madam,

The year 2021 was once again overshadowed by the corona pandemic for the BA – but we can nonetheless look back on the labour market of the past year comparatively positively. The employment subject to mandatory social security contributions sharply increased again after a decline in the first lockdown in March 2020, and is at a record high by now. Unemployment tangibly declined in the past year, but is still above the pre-crisis level. The same applies to short-time work: At the start of the pandemic, short-time work grew to the historic high of six million employees. In 2021, it fell below the one-million threshold.

To cushion the consequences of the pandemic in the labour market, we spent an extra 52 bn euros in the past two years. For the short-time working allowance alone, we paid out ca. 42 bn euros altogether – 20 bn of that in 2021. We were able to process the many allowance applications at speed, making flexible use of our personnel for this. Instead of 700 staff, up to 11,600 colleagues calculated short-time working allowance at the peak. Over 5,000 staff also continued to support our operative services in the year 2021.

The same applies to the service telephony, where we steadily maintained the availability for our clients. From 24 million before the pandemic in 2019, the number of telephone contacts with clients had expanded to just over 39 million in 2020. In 2021, we ultimately conducted around 41 million client calls. A sum total of 18,000 colleagues worked in our service centres and local hunt groups for this, instead of 5,000.

This was and is only possible thanks to the flexibility of our staff. The willingness of every single employee to support particularly challenged departments contributed to cushioning the pandemic's effects on the labour market. The BA

has proven itself as an institution that stands for reliability, security and stability even during the pandemic.

Also important was the good and trusting teamwork with our cooperation partners in the labour market – associations, chambers, local and district authorities, and many more. We co-initiated the #AusbildunKlarmachen campaign in the Alliance for Education and Training, for example, and created a new internet portal offering young people various services for a successful career start. Digital proposals such as "Check U" or also vocational guidance by YouTube live chat have become an important supplement in the careers information.

We additionally expanded our contact options for clients with the client app "BA mobile" and video guidance, making us even more available to them – at any time and any place, also mobile on the smartphone. As a client-oriented service provider in the labour market, we aim to continuously align the guidance and support with people's needs and the requirements of the labour market.

Securing labour and skilled workers will also continue to be the dominant topic in the training and labour market – besides coping with the pandemic. This starts with young people's successful career start. Another aim besides making better use of domestic potential is to keep pursuing the approach taken by the Immigration Act for Skilled Workers. We, therefore, also continued our intensive recruitment efforts for skilled workers from non-member countries in 2021. Further important building blocks in our international work were provided by training and qualification projects. A particular milestone in this was the conclusion of a sum total of four new placement agreements

with partner labour administrations, making it easier for urgently needed skilled workers to come here from the respective countries.

Over and beyond this, the labour market is facing major structural changes. Especially the coal phase-out required to reach the agreed climate targets and steadily growing digitalisation will trigger far-reaching changes in the employment and professions. We, therefore, need low-threshold access options to guidance and training proposals for the unemployed, people in work, and companies affected by structural change. This is because we will only be able to secure employment for the medium and long term by way of training.

The placement, guidance and training of the unemployed, job-seekers and employed remain central tasks for the BA to secure skilled workers and employment, and keep Germany competitive internationally. In the process, the BA is to become an even stronger platform for training and guidance topics in the transformation. In cooperation with their nearby partners, the local employment agencies are

important actors in regional networks. They see to the important moderation functions in the accompaniment and flanking of transformation processes.

Looking ahead, we will intensively engage with the inferences from the coalition agreement to continue providing employees and businesses with the best possible services and support.

Starting from the needs of our clients, we had already started the advancement of our organisation before the pandemic. We changed processes, advanced our proposals for clients, and created new digital services for this. We will also continue along this route in this and the coming years.

What informed our work and tasks and what we achieved in the past year, we present to you in this annual report. We hope you enjoy an interesting and insightful read.

Best regards,

DETLEF SCHEELE
Chairman of the Executive Board

DANIEL TERZENBACH
Director Regions

CHRISTIANE SCHÖNEFELD
Director Resources

BOARD OF GOVERNORS OF THE BA



The central body of self-governance is the Board of Governors. It oversees and advises the Executive Board in the discharge of duties, and provides important stimuli for the further development of the BA.

The Board of Governors proposes the Chairperson and other members of the BA's Executive Board to the Federal Government for appointment by the Federal President.

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

- Defining the strategic orientation and business policy goals

- Adoption of the statutes of the Federal Employment Agency
- Adoption of the budget
- Issuance of orders
- Approval of the Annual Report of the Executive Board
- Approval of the rules of procedure of the Executive Board.

The Board of Governors is composed of representatives of the three groups – employees, employers and public bodies – to one third each. Seven members and five deputy members per group are appointed by the Federal Ministry of Labour and Social Affairs (BMAS).

REPRESENTATIVES

of the group of employees

CARSTEN BURCKHARDT

Industrial Construction, Agriculture and Environment Union

GABRIELE GRÖSCHL-BAHR

United Services Union ver.di

ANJA PIEL

German Federation of Trade Unions

EVELYN RÄDER

German Federation of Trade Unions

PETRA REINBOLD-KNAPE

Industrial Mining, Chemical and Energy Union

CLAUDIA TIEDGE

Food and Catering Union

DR. HANS-JÜRGEN URBAN

Metalworkers Union

of the group of employers

BERTRAM BROSSARDT

Bavarian Industry Association

NINA GÜNTHER

Siemens AG

INGRID HOFMANN

Federal Employers' Association of Personnel Service Providers

CHRISTINA RAMB

Federal Association of German Employers' Associations

DR. ANNA ROBRA

Federal Association of German Employers' Associations

KARL-SEBASTIAN SCHULTE

Central Association of German Trades, Employer Association of German Trades

OLIVER ZANDER

Employers' Associations of the Metal and Electrical Industry (Gesamtmittel e.V.)

of the group of public bodies

VANESSA AHUJA

Federal Ministry of Labour and Social Affairs

KERSTIN EHLERS

Schleswig-Holstein Ministry of Economic Affairs, Transport, Employment, Technology and Tourism

EVA-MARIA FLICK

Mecklenburg-Vorpommern Ministry of Economics, Infrastructure, Tourism and Labour

STEFAN HAHN

Deutscher Städtetag (Association of German Cities and Towns)

KORNELIA HAUGG

Federal Ministry of Education and Research

PETRA LOTZKAT

Authority for Labour, Social Affairs, Family and Integration of the Free and Hanseatic City of Hamburg

DR. PHILIPP STEINBERG

Federal Ministry for Economic Affairs and Energy

Deputies

RALF BECKER

Union for Education and Science

DR. STEFANIE JANCZYK

Metalworkers Union

ANDRE REINHOLZ

United Services Union ver.di

Deputies

GERHARD HANDKE

Federal Association of Wholesale, Foreign Trade, Services

HERBERT HÜSGEN

Federal Association for Garden, Landscape and Sports Field Construction

SUSANNE MÜLLER

Federal Association of German Employers' Associations

SVEN NOBEREIT

Verband der Wirtschaft Thüringens e.V.

DR. KLAUS-PETER STILLER

Federal Employers' Association of the Chemical Industry

Deputies

DR. FALK GOWOREK

Federal Ministry of Finance

STEFAN KULOZIK

North Rhine-Westphalia Ministry for Employment, Health and Social Affairs

JEANETTE MISCHNICK

Rhineland-Palatinate Ministry for Labour, Transformation and Digitalisation

DR. IRENE VORHOLZ

Deutscher Landkreistag (association of German districts)

CHRISTIANE VOß-GUNDLACH

Federal Ministry of Labour and Social Affairs

FOREWORD BY THE BOARD OF GOVERNORS

ANJA PIEL

Chairwoman of the Board of Governors



CHRISTINA RAMB

Deputy Chairwoman of the Board of Governors



The BA has also mastered the major challenges of the corona crisis in the past year quickly and successfully without neglecting the protection of clients and employees. We as the Board of Governors, would like to thank all the BA's employees for their extraordinary commitment, dependable and responsible work, and crucial contribution to managing the consequences of the corona pandemic in the labour market.

The course of the pandemic has also marked our work in the Board of Governors in the first half and towards the end of the year.

BUDGET FOR SHORT-TIME WORK RAISED

The higher short-time working allowances for longer-term claimants, refunding of social security contributions and other easements provided businesses and employees with

major-scale support. The Federal Government countered the economic consequences with massive additional economic aid. This helped to damp down a renewed increase in unemployment. As the Board of Governors of the BA, we stand behind the instrument of short-time work and see it as an important contribution to securing the income and jobs of millions of employees, and the liquidity of hundreds of thousands of businesses, and thus to maintaining the social peace in Germany.

The expenditures for short-time work have greatly exceeded the financial resources of the BA in 2021 as well. The BA's reserves were completely exhausted, with the allocations to its civil service pension reserve already suspended for two years to boost its liquidity. This was made possible by earlier additional allocations from the reserve, provided for emergency situations. Between March and November, we as the Board of Governors additionally raised the budget for short-time working allowances and social security contribution refunds to employers three times in

line with the respective spending situations from an initial 6.05 to a sum total of € 21.36 billion with extrabudgetary expenditures. This was necessary to secure the outlays for this obligatory service.

PERSONNEL REQUIREMENTS FOR PANDEMIC-RELATED EXTRA WORKLOADS SECURED

The employees of the BA once again managed to keep up the range of services in 2021 while simultaneously handling the enormous extra workloads in the payment of short-time working allowances with a special dedication. We expanded the personnel framework required for this at the respective time, and approved just under 5,000 employment opportunities for the year 2021 altogether in four tranches. With the budget for 2022, we have agreed to additional pandemic-related personnel requirements of around 3,300 employment opportunities to, most of all, renew fixed-term employment contracts of qualified employees in the year 2022, and thus cushion the additional pandemic-related tasks, especially in the audits.

SETTING THE NECESSARY PRIORITIES FOR 2022 DESPITE THE BUDGET DEFICIT

With the adopted budget, we have provided the financial basis for adequately supporting and assisting the employed and unemployed alike in 2022. As we are also expecting a budget deficit for 2022, the federal budget is mandatorily required to include a federal subsidy for the BA. From our perspective, the objective should reside in relieving the BA of all debt at the end of 2022.

One focus area in 2022 is investments in further training and qualification. To be also able to shape the industrial changes that attend the transformation driven by digitalisation, demographics and decarbonisation, nearly half the budget earmarked for this goes into the training of employees. A further focus area is supporting young people in the transition from school to work.

ADVANCING THE BA'S STRATEGIC PERSONNEL PLANNING

Given the BA's extensive responsibility for securing livelihoods, labour and skilled workers in Germany, the great

number of BA employees going into retirement, and the ever diminishing supply of skilled workers, we perceive securing the BA's personnel requirements and professional personnel management as vital challenges. At our initiative and in cooperation with the Executive Board, we have thus paved the way for a strategic personnel planning process to also correctly estimate and cover the BAS's personnel requirements in the medium and long term, based on the BA strategy. This is based on the process for developing a range of future-ready departmental objectives that are then merged into an overall picture. These are aligned with the client perspective, taking trends and possible repercussions of digitalisation into account.

IMPROVING THE QUALIFICATION OF EMPLOYEES

The enterprises themselves are making significant investments in further training. These efforts and initiatives are not necessarily reflected in the BA's support statistics. The promotion of professional development amongst the employed as per Social Code III still has untapped sources of potential. Although easements have already been introduced with the single application, we as the Board of Governors still see a need for further optimizations in the realisation of qualifications for the employed. The support should hence be rendered even more manageable and practicable.

TRAINING IN PANDEMIC TIMES – REQUIRING PLENTY OF CREATIVITY AND STAMINA

The pandemic complicates the vocational choices of adolescents, inter alia, because the careers information in schools or internships with companies were often prevented by the pandemic. We recognized the urgent need for action, took the initiative in the beginning of 2021, and discussed the training situation with representatives from the practice and others in several special meetings to introduce necessary measures. This was aimed at preventing the development of a "corona training cohort".

The Executive Board and Board of Governors have jointly adopted the youth training-oriented #AusbildungKlar-machen campaign under the roof of the BA, and implemented it in the shortest of times. The various services and measures of the BA and training market partners were made more transparent, dovetailed, and circulated



”

We want to show young people ways into training and counter their worries about the future with concrete proposals.

in social media channels. We, as the Board of Governors, supported the BA in the implementation of the federal "Ausbildungsplätze sichern" programme securing training market vacancies. We advocate the intensive use of the entry qualification instrument as a direct bridge into in-company training in combination with vocational school attendance, and the provision of adequate capacities in existing support instruments such as the training outside companies, for example.

As alternating chairwomen, we have appealed to our local self-governance members in the management committees of the employment agencies to show young people ways into training and counter their worries about the future with concrete proposals. Many management committees and employment agencies went public, enabling numerous creative projects and campaigns for careers information and vocational guidance, and promoting the provision of training market vacancies in businesses.

IMMIGRATION OF SKILLED WORKERS REQUIRED

In addition to the expansion of further training and an increase in the labour market participation, the immigration of skilled workers needs to pick up speed again after a massive decline in the previous year owed to the global pandemic. We, therefore, welcome the BA's placement agreements under the new Skilled Labour Immigration Act, inter alia for the recruitment of qualified nurses from countries outside the EU. They also ensure the protection of foreign skilled workers from disadvantageous conditions in the placement. In addition to which Germany's attractiveness as an immigration destination for skilled workers and the processes preceding the recognition of vocational qualifications must be drastically improved. We also picked

up on the topic again for ourselves with an event on labour migration, and will place a stronger focus on it in 2022.

DIGITALISATION IMPORTANT IN THE BA

The BA continues to invest in the expansion of its digital services. The BA is not only demonstrating its innovativeness in digitalising its services in the short-time working allowance, where it has introduced the electronic transmission of applications, but also in the online registration as unemployed. We support these measures because it has clearly emerged, especially in the crisis, how important safe and reliable access routes to the employment agencies and their services are, not only under contact restrictions. We welcome the digital formats finding greater use in the process, such as video communication, as forward-thinking. They are intended to supplement the proposals for personal consultations. It is important to us that the digitalisation in the BA caters to the needs of clients, and helps to support and relieve its own employees.

ANJA PIEL
Chairwoman of the Board of Governors

CHRISTINA RAMB
Deputy Chairwoman of the Board of Governors

OUR STRATEGY

OUR STRATEGY 2025: TODAY FOR TOMORROW

INITIAL SITUATION

We as the BA have been extensively renewing and restructuring ourselves since the year 2003. This was a unique development for an authority of our size in the public sector. The introduction of a new, impact-oriented management and control model was a milestone for this. A modern controlling system has helped us ensure transparency and make our processes in the operative units more customer-oriented. Together with our municipal partners, we have successfully managed to implement the reform of Social Code II. With these measures, we have found good answers to the high unemployment in the early years of the reform.

Ever since then, the employment agencies and jobcentres in joint institutions have been able to register tangible successes: Individual unemployment periods have come down, and the satisfaction of our clients on the employer and employee side has gone up. The prerequisite for this is and remains the reliable provision of cash benefits. And we are also successful in economic terms: The unemployment insurance contribution rate could be more than halved in this period.

We do not intend to rest on these laurels, but to continuously develop ourselves further in content and process. Based on long-term social megatrends, we have developed a vision for this that establishes a strategy for the BA, so that concrete initiatives can be planned, implemented and tracked for the coming years across legal purviews.

Starting from the megatrends, we identified four key developments that we expect to have a decisive influence on the labour market and participation opportunities in the coming ten to 20 years.

Demographic change – The demand and supply ratio is shifting while the markets are becoming more international and networked:

According to forecasts by the Institute for Employment Research (IAB), the labour force potential in Germany is set to drop off very strongly in the coming decades, as skilled workers go into retirement and will not be replaced by equally qualified younger employees. This will lead to a shift in the labour demand and supply.

Structural change in the labour market – stimuli from climate change, the energy turnaround and digitalisation:

Political decisions on (inter-)national climate protection targets and the strategies and transformation processes derived from them in view of the energy turnaround provide – along with the attendant general sustainability debate – strong stimuli for structural change in the labour market. The (accelerated) phase-out of coal, growth of e-mobility, expansion of CO₂ pricing and many other factors change the supply and demand for jobs, qualification requirements and qualification needs, drastically so in parts. These processes are moreover characterised by high dynamics in content and time.

The everyday world and job descriptions are also drastically changing due to digitalisation. Looking at the last 25 years, all highly developed nations are registering declining employment in jobs requiring average qualifications. The employment in low- and highly skilled jobs is growing at the same time. Current studies by the Institute for Employment Research surmise that jobs in assistant and skilled professions already exhibit a high change potential today due to



digitalisation. Job descriptions will accordingly experience drastic changes over the coming years in parts.

Flexibilisation and individualisation – work and workers are becoming more mobile & international, and the competition for qualified skilled workers continues to intensify:

Work is becoming more flexible, and employment histories more individual. Digitalisation and changing values, especially amongst younger employees, have led to a growing flexibilisation of work. The new possibilities and changed expectations will cause work to be made more flexible in time and space in the future. Employment histories with an unchanging job at a single employer – from the training through to retirement – are becoming ever rarer at the

same time. Consultancy needs are thus not only limited to the event of unemployment, but increasingly also arise alongside the employment histories.

Social inequality – Participation opportunities are unequally distributed in the labour market, and thus in society:

Despite falling unemployment, the social inequality, e.g. as measured by the disposable income of private households, has substantially grown over recent decades. The unequal participation opportunities also depend on people's qualifications. Upwardly mobile options find too little use in parts. Regional disparities additionally amplify the unequal participation opportunities. We need further effective approaches for the longer-term unemployed to reintegrate them in working lives and let them participate in society again.

OUR GUIDING PRINCIPLES



STRATEGIE 2025 HEUTE FÜR MORGEN

These developments and challenges are the background against which our "Strategy 2025 – Today for Tomorrow" is derived.

In the desire to see to the continuous further development of the BA as a modern service provider in the training and labour market, we regularly review our strategic compass and adjust it to changed framework conditions, e.g. based on the structural change or effects of the pandemic. This leads to an even clearer business policy prioritisation of the client-oriented topics of securing manpower and skilled workers, as well as livelihoods and basic income support. The BA is to become even more of a platform and moderator for the qualification and guidance in the transformation than before. Another focus is on strengthening the guidance services and a client- and staff-oriented use of digitalisation and automation.

To make this "Strategy 2025" a reality, various requirements need to be met and implemented in our day-to-day work. This requirement leads to the following five Guiding Principles:



GUIDING PRINCIPLE 1: For their clients, the employment agencies and jobcentres in joint facilities are the institutions to go to for individual guidance, placement, qualification and a reliable maintenance of their livelihoods.

Further training and guidance are essential success factors for the BA in times of rapidly changing job descriptions. The diverse structural transformation of the labour market causes jobs to be lost and creates new ones. We are therefore banking on early as well as lifelong guidance, and individual qualification. Even in times of high dynamics and drastically changing requirements, we are thus ensuring a successful clearing of the labour market between employers, employees and job seekers.

We are pursuing a sustainable and client-centred approach for this. Our staff are aware of the needs of our clients. This means that they know the work environment just as well as

the skills and competencies of employee clients. Both are attuned to each other by good communication and workflows. Based on the situation of the company or personal life situation, we offer individual guidance and qualification proposals. We prepare employee clients for the integration process in companies individually, and provide them with lifelong guidance for a successful employment history and upward mobility. Employer clients are suggested applicants on the basis of their requirements, and provided with consultancy for securing labour and skilled workers as required. We want to activate the domestic labour force to the greatest possible extent. Where skilled workers are in short supply, we will also take international action to meet the demand for them.

Prevention is one of the essential cores of our consultancy. We provide forward-thinking advice. To do this, we need staff who are highly-trained experts. They have good method knowledge, an excellent knowledge of the labour market and its transformation, and know the potentials and strengths of our clients.

We inform and advise our clients on benefit-related legal issues and thus create an essential prerequisite for their integration in the labour market and overcoming of their need for assistance.



GUIDING PRINCIPLE 2: We share in the responsibility for social cohesion, and improve participation opportunities.

The most effective approach to reducing long-term unemployment would be to not let it come about in the first place. Only if we manage to prevent unemployment will we realise the objective of structurally containing long-term joblessness in the medium term, and of interrupting its social heredity. To find the right handle for the complex issues of these clients, we work on integrated solutions with our local authority partners across legal purviews. We also solve the health issues of our clients in cooperation with other institutions. Frequent personal contact with the clients and their coaching and navigation through temporarily difficult life situations make the individual guidance successful here. Sustainable placement, particularly in good jobs that cover the needs, is in the foreground for us.

We reliably approve benefits and are able to act in crisis situations. We therewith make an important contribution to social cohesion.

As an ultima ratio, we advocate subsidised employment options to also offer perspectives for the long-term unemployed lacking realistic chances in the regular labour market.



GUIDING PRINCIPLE 3: We shape the training and labour market together with our cooperation partners.

Society's ever more complex requirements from state institutions call for more joint approaches. Our partners are invited to fill this vision with life with us.

We cooperate with our network partners in the training and labour market on an equal footing, true to the motto that "greater things are achievable as a team". We actively dedicate our competencies to this, and make a valuable contribution to the teamwork across legal purviews. Exemplary for this is the dedicated cooperation with other actors in the integration of refugees and persons undergoing vocational rehabilitation, in securing the supply of skilled workers, and reducing long-term unemployment. Another good example are the youth employment agencies.



GUIDING PRINCIPLE 4: We use the sources of potential offered by digitalisation in the interest of our clients and employees.

Digitalisation is changing the world of work. We aspire to a client- and staff-friendly design of IT developments.

Our range of services is oriented towards the life situations and concerns of our clients. Besides our promise of local personal guidance, suitable services for this are also available to our clients in a portal. We provide our online services in a user-friendly manner. This helps us solve the requests of our clients quickly, independently and irrespective of their location using digital application, guidance and information tools. It is meanwhile important to us that com-

petent support and guidance be available to all clients at the various stations of our online portal.

The digitalisation and automation of our own work processes have helped us improve the quality of our services. Elaborate work and documentation tasks have been done away with. This creates leeway for the individual employee, time we invest in a higher quality of work with the client. The staff are continuously and intensively stewarded through this transition. They are provided with adequate support by qualified development and training that helps them master the new challenges.



GUIDING PRINCIPLE 5: We work on the best service for our clients competently, cooperatively and with passion.

We design and provide our services on the basis of our clients' needs. The personal contact and smooth teamwork with further experts in the guidance process are central requirements for providing our clients with the best possible support.

What this means for the culture of our organisation is that teamwork and the sharing of knowledge and experience are prominent success factors. This applies inside our own organisation – including a trusting cooperation with the staff committees – as well as to the various external actors in the labour market. We communicate respectfully, openly and transparently. Our executives and/or staff cooperate across the departments and functions to keep an eye on the overall picture. We continuously put our concepts to the test by regular dialogues. Involving users in the development of products before they are realised becomes matter of course this way.

Our staff – generalists, specialists and executives – are prepared thoroughly for their respective job. We have a recognised and applied personnel development system for this, a sound skill assessment, and qualification modules to match. Building on this, all the executives assume responsibility for developing their co-workers as an important task.

The principles of leadership and cooperation are firmly anchored in the self-conception of our staff. Permitting local

leeway, but also taking advantage of it, are of the essence for this.

The BA is managed by way of targets. Possible departures are thematised and utilised as opportunities for improvement. Quantitative and qualitative objectives are in harmony. This places a stronger focus than heretofore on the need to understand and drive topics holistically. The impact and cost-effectiveness serve for orientation and support the understanding for the topics and interconnections.

OVERARCHING OBJECTIVES

Over and beyond this, the BA is committed to macrosocial objectives that are consistently pursued as a cross-sectional task. We stand for:

- Gender equality and equal opportunities for men and women, while actively counteracting disadvantages and gender-stereotypical attributions.
- Diversity, by actively promoting it and meeting it with openness and esteem.
- Inclusion, meaning that we decisively contribute to equalisation and accessibility.
- A sustainable and environment-friendly approach to resources.

Equality and equal opportunities

The promotion of equal opportunities in the labour market regardless of gender is imperative for the BA as a principle pervading its regular practice. Fulfilling this legal mandate of promoting gender equality in the labour market is an operative task. The BA's specialists and executives are supported and advised by the Commissioners for Equal Opportunities in the Labour Market (BCAs) in this. In cooperation with the BA's operative departments and network partners, they contribute to creating suitable conditions for promoting gender equality in the labour market.

The anchoring of gender aspects in the annual board letters about the planning of business policy priorities integrates the BCAs in the planning process on a local level,

and enables them to introduce equality-relevant stimuli in a targeted manner for a corresponding operative prioritisation. The gender-specific target planning for 2022 in Social Code II provided for the first time in 2021 places a particular leadership focus on the promotion of gender equality.

By active education and information services with regard to the occupational fields and careers in the STEM (science, technology, engineering, and math) and so-called SAHGE (social work, household-related services, health, care and education) professions, the BCAs contribute to broadening the career choices available to girls and young women, boys and young men, and to the revision of handed-down occupational role models.

The guidance afforded returnees after care and education work is a building block of securing skilled workers, and ensured by the vocational guidance during the career.

The guidance provided to employers concerning flexible forms of development such as part-time vocational training helps to counteract family-related "disruptions" in young people's employment history at the start of their careers, while enabling career prospects.

Diversity

Demographic change is transforming our society – seriously and for the long term. The population in Germany is ageing. This is a consequence of the sustained low birth rates and rising life expectancy. The share of migrants in the population continues to grow at the same time.

The BA actively picks up on these developments to tap the resources and potentials of people with a migration background for the training and labour market more strongly and sustainably. This, on the one hand, contributes to their social integration, while counteracting the shortage of skilled and junior workers on the other. The operative planning process in the offices pays attention to the various dimensions of diversity: gender, age, ethnic and cultural diversity, people with disabilities, and sexual identity.

But the BA also wants to fulfil its responsibility and serve as a model in its own role as an employer. In their diversity, the staff are the key resource for the performance and innovativeness of the BA, and thus for its economic success and future.

Support measures for employees with migration backgrounds are hence an integral part of our personnel policy, which takes the demographic development into account. 17 per cent of the staff have a migration background (according to the information provided by them), with colleagues from over 99 nations working for the BA.

Another priority is the implementation of the Federal Government's "National Action Plan for Integration". We particularly support the objective of increasing the proportion of employees with migration backgrounds in the civil service. In addition to this, the BA is also involving itself with central and local campaigns as a signatory of the "Diversity Charter".

Inclusion

The UN Convention on the Rights of Persons with Disabilities and the inclusion concept that is so central to it directly oblige the BA as a federal authority – both as a service provider in the labour market and as an employer. The coordination unit helps to strengthen the inclusion topic as a human right, anchor it as a consistent principle in the work of the BA, and render it visible to the in- and outside.

The right of persons with disabilities to self-determination and the objective of purposefully involving people with disabilities in decisions that concern them guide the activities of the BA as much as the aspiration to consistently eliminate physical barriers and guarantee access to information, communication and technology.

The inclusion agreement underscores the BA's role model function for the employment of persons with disabilities, and sets the targets of persons with severe disabilities making up at least ten per cent of its workforce, at least five per cent of its junior employees, and ten per cent of its annual new hires overall. Even with inclusion made a signature issue, it still needs to be lived by all. All teams are hence given leeway for workshops on the topic of inclusion that are concluded with team agreements and reflexion stations.

Sustainability

Climate change not only implies structural challenges in the labour market for us, but also a personal commitment to the greatest possible sustainability, e.g. in our carpool,

our purchasing processes, travel management or general and IT infrastructure. We as the BA want to serve as role models in the public sector here to contribute to our public responsibility in the design of sustainable environmental, labour and living conditions. What this role model function means for us very concretely is to develop sustainable purchasing criteria, convert our service fleet to 50 per cent electromobility in a regional pilot project, and use green electricity exclusively nationwide since 1 January 2022. As a result, these measures enable us to halve the BA's CO₂ footprint of previous years. Legal requirements for the federal administration's climate neutrality call for a further expansion, perpetuation and professionalisation of our sustainability initiatives.

WE DEVELOP THE "BA OF THE FUTURE" TOGETHER

ACTING IN THE INTEREST OF OUR CLIENTS



The "Strategy 2025" sets the course for the coming years: the changes in the labour market are presenting us with more flexible and individual challenges. Individual and competent guidance is becoming ever more important for job- and training-seekers, employees and employers.

Which is why we have taken the initiative for the BA's future-ready advancement with "BA of the Future", cooper-

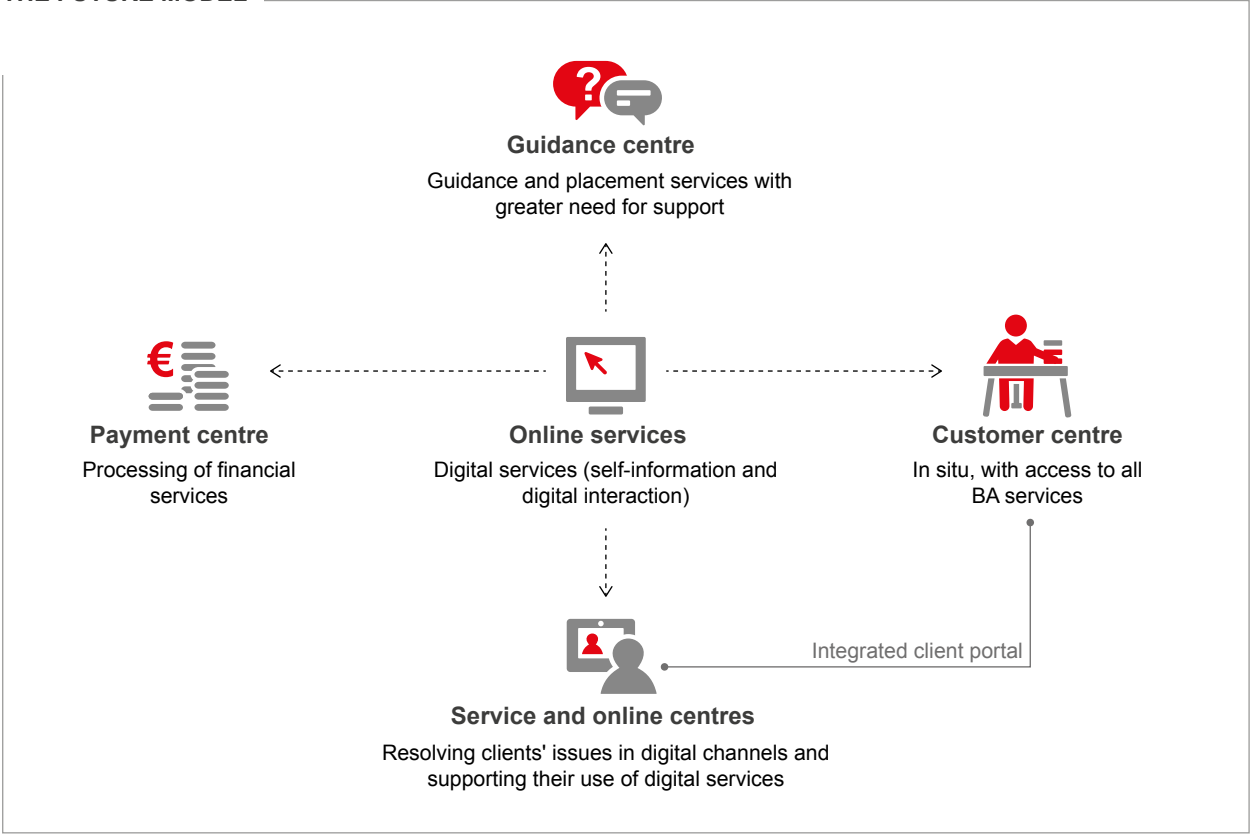
ating with colleagues on all levels in the development of a "future model" that provides a framework for the operative implementation of the Strategy 2025, and shows how the BA will be providing its services to clients in the future.

For the path thus taken, we have chosen a guiding compass: our clients. In interviews and workshops with them, we identified issues for our orientation in the (further) development of services and processes..

Elaborating the future model

Starting from these "client concerns", we have developed concrete practical approaches for making the future model

SCHEMATIC REPRESENTATION OF THE FUTURE MODEL



a reality. Staff on all levels – but most of all practitioners from the employment agencies – are working on the incremental elaboration of ideas in an agile process. These ideas are being tested for practicality and elaborated further, individually or in combination with one another, at over 30 locations by now. This approach offers the advantage that instead of committing ourselves right from the start, we can try out first whatever works in practice – or not.

The pandemic has meanwhile accelerated developments in the direction of the future model in many places, yet also impeded them in some areas as personal contacts were restricted. Important experiences were still gathered, however, most of all with telephone-based and digital services, as well as changed workflows. This enables experiences from the crisis to be profitably integrated in our future model too.

One of the essential starting points of the future model is to handle matters reliably, quickly and simply – without internal detours within the organisation. Clients are so far approaching the BA in various and sometimes multiple ways to resolve their issues: on the telephone, online, by email, in person or by mail. By an effective control of these access routes and the addition of new ones, we want to navigate clients as directly as possible to the point of contact where their issue can be conclusively resolved. The experiences from the pandemic have meanwhile shown that the online channel, especially, and new options such as the use of video communication can offer a meaningful alternative to personal contacts at many junctures. This accords with the clients' wishes while additionally offering an opportunity to make internal workflows and processes more efficient.

Trialling various approaches

The current local tests, for example, concern various approaches enabling clients' issues – initially relating to unemployment benefit – to be efficiently and transparently routed to the appropriate contact person by way of the telephone, personal, and online channels.

- There are tests concerning the realisation of greater transparency, plannability and shorter waiting times for our clients by scheduled call-backs.
- Intuitive, attractive online proposals – such as chatbots – support the communication and resolution of issues.

- The "BA-mobile" app, available since February 2021 already, is undergoing continuous further development. The app inter alia enables clients to write messages or view placement suggestions and/or job recommendations, as well as notifications and documentations, at any time. The app has been downloaded over 170,000 times so far.

Besides the improved options for using online services, we also want to improve the workflows in the personal client access. This also with the aim of resolving issues as quickly as possible, providing clients with greater transparency and security, and offering them the individual support they need.

Based on the experiences in the pandemic, we want to identify the issues that are best resolved by appointments when clients visit our agencies in person, for example. We are in this respect also interested in identifying issues where the clients' online arrangement of appointments can be a meaningful proposal. And we are also trialling ideas intended to help clients find the right guidance service for them as quickly as possible. Processes and guidance meetings are to be designed in a manner ensuring that we can pick up every client in their individual situation and offer them the support that is most appropriate for their needs, and perhaps also problems.

All tests are meanwhile linked by the idea of the future model and the following principles:



FOUR PRINCIPLES GUIDE US IN THIS WORK:

- We think from the "client perspective" and make it the central focus of our work
- Matters requiring regional proximity are regionally decided and designed
- We simplify the work. Our activities are defined by guidelines instead of fixed instructions wherever possible.
- We define the concrete responsibility on all levels – nationally, regionally and locally.

**OUR
YEAR 2021**



FIELDS OF ACTIVITY AND TASKS OF THE BA

To provide the many and varied tasks and activities of the BA with a manageable structure and facilitate thematic assignability, six service icons have been introduced. They quickly indicate the respective specific service area to the clients, and provide them with orientation in the BA's range of services.

THE SERVICE ICONS



EDUCATION AND TRAINING

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



QUALIFICATION

The BA advises and supports those who want to continue their education. The diverse range of further training and qualification choices opens up opportunities for professional advancement, offers challenges, helps clients return to work, and makes their own job more secure.



CASH BENEFITS

Besides the payment of unemployment benefit under Social Code III and standard and additional needs benefits as per Social Code II, the BA offers a variety of financial assistance: It helps in taking up employment, in basic and further training, and supports start-ups. It also secures livelihoods by insolvency payments and short-time working allowances.



WORK AND PLACEMENT

Guidance and placement in work are one of the BA's main tasks to support clients promptly in the event of (imminent) unemployment or career changes.



EMPLOYERS' SERVICE

The Employers' Service of the BA is the competent local contact for employers in search of suitable skilled workers or trainees, financial assistance, or qualification services for their personnel.



FACTS AND FIGURES

Facts and figures about its personnel, budget, research and statistics help the BA make its activities transparent. It keeps the official statistics about the labour market and basic income support for job-seekers, and publishes an up-to-date monthly labour market report.

LABOUR AND TRAINING MARKET

5.7%

Unemployment rate

33.80^m

Employment subject to mandatory social security contributions

706,000

Registered labour market vacancies



LABOUR AND TRAINING MARKET IN THE CONTEXT OF THE CORONA PANDEMIC



– 82,000

Registered unemployed



1.85^m

People receiving short-time working allowance on average over the year

The labour market experienced an upswing in 2021 that grew markedly more dynamic upon the lifting of measures in early spring. Besides which the demographic development served as an additional relieving factor – as in the years before. Unemployment and underemployment (excl. short-time work) are down, employment is substantially up. The repercussions of the corona crisis are diminishing more and more, but still tangible, especially in the higher long-term unemployment. But in the second half of 2021, shortages of primary products and raw materials increasingly affected the production industry. This was reflected in the labour market – along with tightened measures in the fourth corona wave – by rising figures in the registration for seasonal short-time work.

UNEMPLOYMENT

2.61 million people were registered unemployed in Germany on an annual average in 2021, 82,000 or 3 per cent fewer than the year before, but 347,000 more than in the year 2019 and thus before the corona pandemic.

The focus on annual figures tends to lose sight of the intrayear improvement, however. The unemployment fell by 378,000 from December 2020 to December 2021, for example. And the unemployment figure for December 2019 – and thus the comparable month before the outbreak of the pandemic – was merely exceeded by 100,000.

SHORT-TIME WORK

In 2020, the first year of corona, the claimant figures for seasonal short-time working allowance reached a historic high in April with just under 6.0 million. This figure was then drastically reduced in the further course of the year as corona measures were lifted. The second lockdown around the 2020/21 turn of the year slowed down the recovery, however, and many businesses – especially in the hospitality industry, in culture/leisure and personal services – expanded their short-time work again. The end of the second lockdown in the second half of 2021 then led to a substantial reduction in the number of claimants.



A first estimate by the BA's Statistical Service sets the average total of short-time workers in 2021 at ca. 1.85 million, following 2.94 million in 2020. This means that 5.3 per cent of the persons employed subject to mandatory social security contributions were working short-time in 2021.

EMPLOYMENT SUBJECT TO MANDATORY SOCIAL SECURITY CONTRIBUTIONS

33.80 million employees were subject to mandatory social security contributions in Germany in June 2020, 479,000 more than the year before. Despite this increase, the corona crisis is likely to have drastically reduced the employment subject to mandatory social security contributions assuming that the positive growth trend of pre-corona times would have continued.



+ 479,000

Employment subject to mandatory social security contributions

REGISTERED LABOUR MARKET VACANCIES

The registered demand for workers showed an outright collapse at the start of the corona crisis. The labour supply needs then successively grew again in the course of 2021. 706,000 labour market vacancies were thus registered on average, 92,000 and/or 15 per cent more than the year before.



+ 92,000

Registered labour market vacancies

CLAIMANTS IN THE LEGAL PURVIEWS OF SOCIAL CODES II AND III

The number of people entitled to unemployment benefit fell by ca. 139,000 last year, averaging 873,000 in 2021. The past year's decline is explicable by the continuous improvement of the labour market on the one side, and the expiry of many claimants' entitlement periods on the other, which was often linked with a transition to basic income support for job-seekers.

The developments in the basic income support for job-seekers were also good in the year 2021, however. With 3.80 million employable claimants on average, the annual value of 2020 could be bettered by 93,000.



– 139,000

Claimants of unemployment benefit

– 93,000

Claimants of unemployment benefit II

SHORT-TIME WORK CONTINUES TO BE A PRIORITY

Short-time work has already proven itself as a job-saving tool in earlier crises. Given this background, the Federal Government also banked on this instrument in the corona crisis and eased the requirements for claims, for example.



The resolutions in spring 2020 were aimed at shutting down as much of public life as possible to contain the pandemic. As a result, just under 6.00 million people in jobs subject to mandatory social security contributions were on short time at the peak in April 2020 – a historic high.

Containment measures have been tailored to the infection curve ever since, and Germany found herself in another lockdown at the start of 2021. Short-time work markedly increased as a consequence, reaching its highest level of 2021 in February with 3.40 million. With the first restrictions lifted, the number of short-time workers continuously declined from March. The average loss of working hours was also reduced.

The notifications for short-time working allowance were substantially up again towards the end of the year, however, given tightened restrictions in the wake of the fourth corona wave, and concerns over the Omicron variant.

The consequences of the pandemic had very different effects on the various industries. Contact restrictions led to temporary closures during the lockdown, particularly in the hospitality industry, but also amongst hairdressers, beauty salons and large parts of the retailers. Over the summer of 2021, the situation eased for the industries directly affected by the pandemic. At the same time – and as an indirect consequence of the pandemic – there were mounting shortages of raw materials and primary products leading to more employees on short time in the production industry.

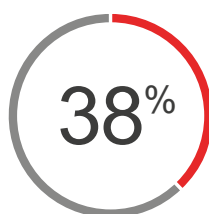
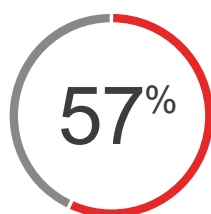
As most industries had been on short time since the outbreak of the corona pandemic at least in parts, women were affected by short time roughly proportionately to their share in employment – against the general custom.

2021

February

September

Average loss of working hours



Share of service industries

78%



55%



Women's share

1.4^m



50%



41%*

(* Last available data status is from July)

6,0^m

0,7^m

2009

2011

2013

2015

2017

2019

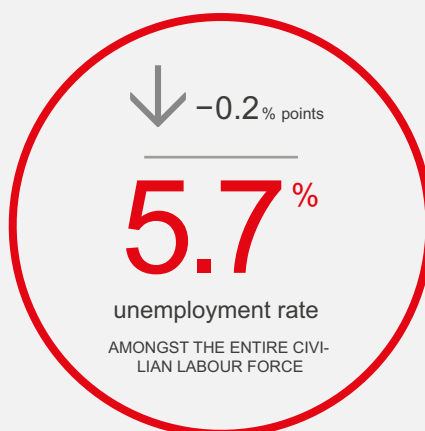
2021

LABOUR MARKET 2021*



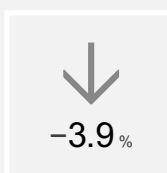
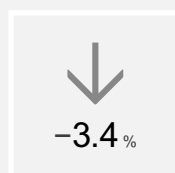
Annual averages for 2021 unless stated otherwise, and changes from the previous year.

* Data across legal purviews and all providers (employment agencies, jobcentres in joint institutions and jobcentres of approved municipal providers)



3.37^m

underemployed without short-time work



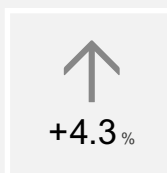
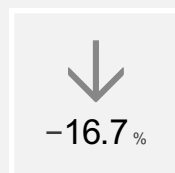
770,000

participants in measures of active labour market policy

2.13^m

entrants into unemployment from employment in the primary labour market

(ANNUAL TOTAL 2021)



1.96^m

termination of unemployment due to commencement of employment in the primary labour market

(ANNUAL TOTAL 2021)

↑ +5.1 WEEKS

27.6^{weeks}

average completed period of receiving unemployment benefit

↓ -13.7 %

0.87^m

recipients of unemployment benefit

↑ +4.8 %

€1,074

average entitlement to unemployment benefit





TRAINING MARKET 2021

STILL STRONGLY AFFECTED BY THE CORONA PANDEMIC, BUT VISIBLY BRIGHTENING

434,000

applicants registered for training market vacancies with the BA and jobcentres of approved municipal providers

↓
-8.3%

↓
-3.6%

497,000

company training vacancies registered with the BA

Applicants had a good chance of finding a training place in the Länder of

- Mecklenburg – Vorpommern
- Bavaria
- Thuringia
- Saarland
- Baden-Württemberg
- Saxony-Anhalt
- Schleswig-Holstein

REGIONAL DIFFERENCES

There were fewer opportunities for an apprenticeship position for applicants in

- Berlin
- Hesse

There were 87 applicants registered with the BA and JC zkT* for every 100 registered in-company training vacancies

↓ 87
100 ↑

Applicants had a good chance of finding a training place in the following sectors:

- Food production and sales
- Construction and construction-related industries
- Mechatronics, automation engineering
- Hotels and restaurants

VOCATIONAL DIFFERENCES

There were fewer opportunities for an apprenticeship position for applicants in the following professions

- Carpentry
- Software development
- Automobile engineering
- Office and administration

BALANCE SHEET AT THE END OF THE GUIDANCE YEAR (30 SEPTEMBER 2021)

↓
-16.1%

25,000

unsupplied applicants

↓
-11.6%

49,000

applicants with alternatives

↑
+5.4%

60,000

unfilled training market vacancies

*JC zkT = Jobcentres of approved municipal providers

Source: Statistic of the Federal Employment Agency

TRAINING MARKET

The situation in the training market continued to be highly affected by the consequences of the pandemic measures in the guidance year 2020/21. From October 2020 to September 2021, most of all, the number of registered applicants had markedly declined again in comparison with the previous year (–39,000). The number of registered training market vacancies has similarly continued its decline, if not as strongly as last year.

All-in-all, 434,000 registered applicants faced 511,000 registered training market vacancies (497,00 of them in-company). As in the preceding years, more vacancies were registered than applicants. Mathematically, there

were 87 registered applicants for every 100 registered in-company training market vacancies (previous year: 92/100). It is to be noted, however, that many applicants never registered because the usual access channels to the vocational guidance were restricted by the pandemic measures and could not be fully replaced by digital services. The number of registered applicants may thus only inadequately reflect the actual interest in training in the guidance year. A slight brightening in comparison to the last reported year became tangible from early spring with the easing of pandemic restrictions. The proportion of unsupplied applicants has fallen slightly. The slight upturn is also underscored by the somewhat higher number of newly concluded training contracts in comparison with the previous year.





25,000 applicants remained unsupplied on 30 September 2021 (–5,000 from the previous year). In addition to which, 43,000 applicants who had shifted to an alternative were still looking for a training market vacancy (–6,000). The number of unfilled training market vacancies rose by 3,000 to 63,000. Despite the perceivable slight brightening compared to the previous guidance year, the results remained significantly behind those from before the pandemic. This is why a second placement round for a later training start was also of particular importance in 2021.



– 5,000

unsupplied applicants

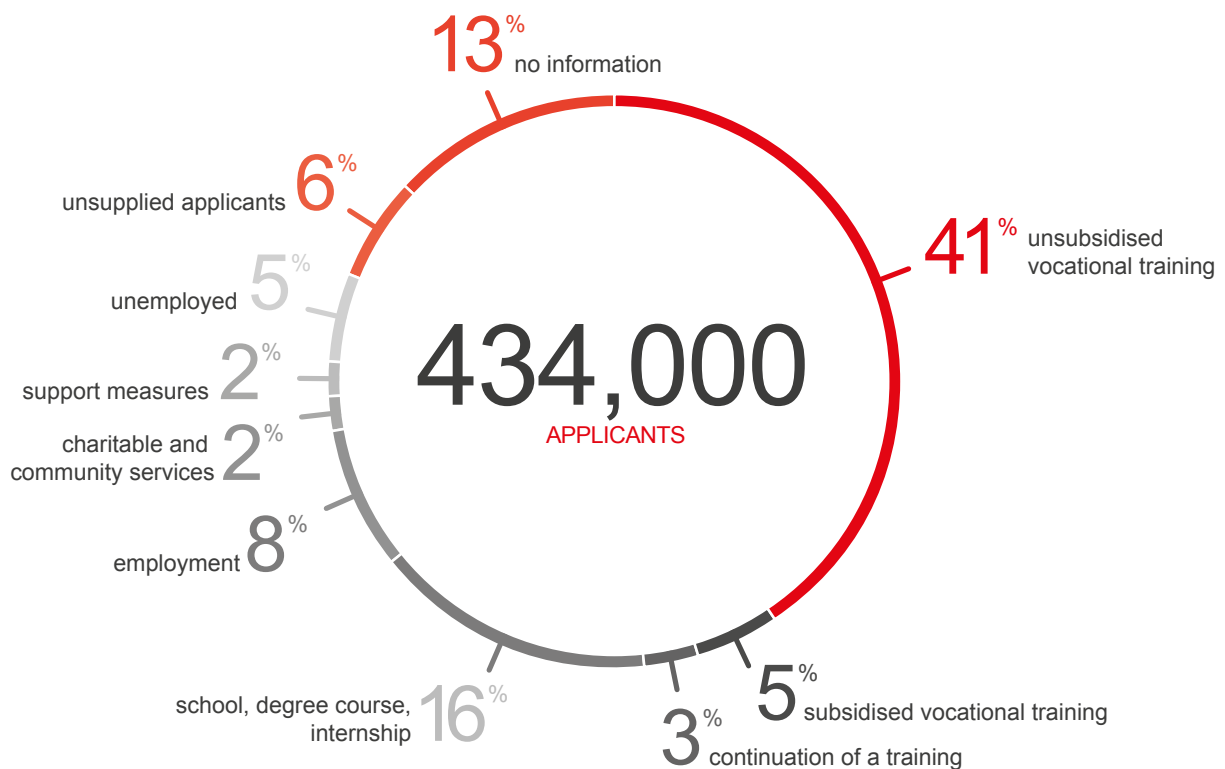
+ 3,000

unfilled training market vacancies

WHEREABOUTS OF REGISTERED APPLICANTS FOR VOCATIONAL TRAINING MARKET VACANCIES

30. September 2021, in per cent

The total may not equal 100 % for reasons of rounding.



Source: Statistic of the Federal Employment Agency

GUIDANCE, PLACEMENT AND TRAINING

3.49^m

online processes handled in the client portal

267,000

persons taking up further vocational training subsidised by employment agencies or jobcentres in joint institutions

353

youth employment agencies established nationwide



screen
layer gone
+ check, pop

GUIDANCE AND PLACEMENT

LIFELONG VOCATIONAL GUIDANCE EXPANDED

Working and living environments are changing. Structural change, digitalisation, demographic developments and changing employment histories – these are the keywords for the current and future challenges on the labour and training market. The need for vocational adjustments and further training is growing. The impact of the corona pandemic ("digitalisation drive") adds to this development.

This is where the lifelong vocational guidance comes in. It supports young people and adults holistically and preventively along their entire training and employment history. While the pre-employment vocational guidance continuously accompanies young people in their career and study choice from early on, the vocational guidance during the career caters to working people – especially also the lower-skilled – facing a vocational reorientation. Other target groups include job-seekers and unemployed with a greater need for vocational orientation and guidance, people returning to work, and training and study graduates.

The guidance is aimed at supporting clients in their (further) vocational development and a self-responsible decision, and in providing them with an overview of the varied options, to choose the matching alternative from them and realise it.

VOCATIONAL GUIDANCE DURING THE CAREER STARTED

In deciding about one's (future) career, it can often be difficult to gain an overview of the various options, and choose and implement a matching alternative from them.

The vocational guidance during the career was rolled out nationwide in 39 networks from 1 January 2021 under corona pandemic conditions as an essential building block of the lifelong vocational guidance. 600 consultants will be available for this successively throughout Germany by 2022. The roll-out process was substantially affected by the pandemic and had to be interrupted from April to September 2020.

Previous service range expanded

The vocational guidance during the career expands the BA's careers information and vocational guidance services by the following elements:

- Guidance proposals for employed persons with few qualifications, persons facing vocational reorientations, for people about to return to work, job-seekers and unemployed with greater career information needs, as well as training and study graduates in need of orientation,
- theme-specific careers information events in modern, attractive formats for these target groups,
- guidance sessions and consultation hours in places where clients spend their time, and that are identified by networking.

Besides the provision of brief information during office hours, the service most of all embraces vocational guidance in the form of an orientation and decision-making guidance, and the organisation of action-oriented, theme- and target group-specific careers information events.

The vocational guidance experts also provide their advice and support by telephone or video communication, depending on the requirements and issue. The experience with the pandemic has shown the digital services to have gained in importance for the accessibility of the target group as flanking elements. Virtual formats will consequently also supplement the attendance-based services in the future.

Guidance proposal is accepted

Around 80,000 guidance sessions have been conducted by now in the vocational guidance during the career – a large part of them on the telephone. They highlight a broad variety of issues and themes, e.g. employed persons seeking guidance in the planning of a vocational reorientation or career advancement. People regarded as semi-skilled for lack of professional qualifications register for guidance because they would like to acquire them. Other guidance-seekers are planning their return to work after sabbaticals for child care and education, or looking after persons in need of care. All these clients of the vocational

al guidance during the career have one thing in common: they need support and guidance for their personal career decision and/or career advancement.

Further development initiated

The pandemic has served to further accelerate the transformation of the work environment. This leads to new challenges for employees and employers. The vocational guidance during the career is currently undergoing further development for this reason.

The online tool is being successively advanced. In the pipeline apart from the self-assessment is the provision of test methods for assessing the cognitive requirements for specific career perspectives on a sound scientific basis.

With New Plan, clients can thoroughly prepare themselves for the personal guidance online, or use the tool independently of it. New Plan augments the BA's range of personal and online services for independent or also dovetailed use in the guidance.

NEW PLAN – ONLINE CAREERS INFORMATION TOOL IS EXPANDED FURTHER



NEW PLAN
THE EXPLORATION TOOL OF THE
FEDERAL EMPLOYMENT AGENCY

Given the profound changes in the labour market, employees are facing new challenges: They

- need clarity about their strengths, talents and vocational development potentials to match,
- may require food for thought and new ideas for this, and
- want to find suitable further training proposals.

The "New Plan" online tool has been on the market for this since December 2020 (www.arbeitsagentur.de/newplan). It supports working people in their vocational (re-)orientation and further training – at any time and from anywhere, also mobile on the smartphone.

Under the motto "Know Your Skills", New Plan starts off from the three areas of "Testing", "Inspiring" and Searching":

- It includes tests relating to career development options
- It supports the concrete search for matching further training opportunities
- New since August 2021 in the "Inspiring" section: New Plan also offers inspiration and ideas over and beyond one's own profession, answering user questions about the related and far-flung jobs others are holding now who started with the same profession as them. This then on the basis of statistical employment data. In addition, users can directly look for suitable vacancies in the job search.

PLACEMENT MASTERS CORONA CHALLENGES

Even in pandemic times, the labour market is where demand meets supply in the form of people looking for a (new) job and of employers' job offers. The guidance and placement are aimed at a better matching of both sides. Unemployment confronts those affected by it with a difficult situation – also independently of the pandemic situation – that is apt to impact every area of their life and should be kept as short as possible. The guidance, placement and labour market policy instruments such as wage subsidies support the clearing of the labour market or prepare clients for their integration into it, e.g. by training or a reduction of placement barriers. All this took place in 2021 as well, even if under corona-related challenges. Telephony, video communication and personal meetings under special framework conditions served to provide options for dialogue that protect the health of clients and staff alike while offering the former the support they need.





According to the defined standards for the uniform provision of guidance and placement services to employee clients in the employment agencies and jobcentres in joint institutions across the nation, all placement and guidance work is based on the client's individual needs. They are the starting points for elaborating strategies for integration in the labour market, e.g. also by way of qualification.

Immediate placement experts in the employment agencies provide clients with fast and needs-oriented placement and guidance services. The employment outlook is already assessed in the first meeting with the BA's experts, with matching job offers suggested, and possible support needs identified and followed up. Where support needs are complex, specialised guidance and placement experts are promptly called in – e.g. from the "Internal Holistic Integration Consultancy Social Code III" (Inga), or case managers in the jobcentres in joint institutions – to provide particularly intensive, integrated support and guidance.

BACK TO NORMAL – SUCCESSIVE RETURN TO ATTENDANCE-BASED GUIDANCE SUCCESSFUL

The positive development of the pandemic situation enabled the employment agencies to increasingly offer attendance-based guidance sessions to placement clients again from summer 2021. The personal contacts are important for discussing the individual situation and developing the next steps of the career together in a safe space. The telephone and video consultations will also continue in the future, however, for supplementary use depending on the occasion, and in consideration of the client's wishes.

FOCUS ON AVAILABILITY AND MORE ONLINE PROCESSING

Launching the integration process online

The growing importance of up-to-date online services able to support and expand the BA's placement and guidance services was not least of all clearly underscored again by the pandemic. A three-year video communication trial was hence successfully concluded at 18 placement locations ("Online

Pilot" trial). The proposal has been implemented nationwide by now and addresses clients at the start of their contact with the employment agency. In the sense of an end-to-end online proposal, the options range from the online registration as unemployed or as a job-seeker via the possibility of selecting a consultation appointment from an online calendar through to guidance sessions by online video communication. Clients and staff who have already experienced the video communication are convinced by the easy handling and advantages, and recommending the service to others. Personal guidance sessions will also continue to be offered in the employment agencies and job centres in joint institutions. They remain the basis for a trusting cooperation unchanged. Consultations by video communication supplement these meetings locally.

29 per cent

more online processes handled than in 2020.

Client portal continues to be of great importance

The tasks of the client portal in 2021 were shaped by the experiences and pandemic-related recommendations of the year 2020. Despite difficult framework conditions, clients were able to reach the BA on the telephone as usual. The contact options in the non-personal access channels were also available throughout. The employment agencies were open within limits. Clients were always able to raise their issues on the telephone or by way of the available online services.

4 January 2021 registered around 503,000 calls and just under 244,000 conducted consultations. This start into the year is the day with the most calls to date. The daily average in 2020 came to 202,000 calls and 143,000 consultations. In 2021, the daily average was ca. 214,000 calls and 161,000 consultations.

Since the start of the pandemic, the service centre staff have been continuously handling more calls than before the pandemic with the support of the staff in the employment agen-

cies' call circuits, thus ensuring our availability for clients on the telephone. With 82.2 per cent, the average annual availability could be bettered again from the previous year (2020: 74.7 per cent) in the legal purview of Social Code III.

Clients also made more use of the online channel: While around 2.71 million online processes had been handled in 2020 in the legal purview of Social Code III, their number had grown to ca. 3.49 million in 2021 already.

Besides supporting the telephony and handling of online processes, the staff in the entrance zones also helped to process the short-time working allowance while continuing to master the line business tasks characterised by the pandemic. Despite the unusual framework conditions, the entrance zone registered 1.80 million personal visits, for example, with ca. 630,000 identifications verified in the follow-up after the contact restrictions.



CLIENT PORTAL – FACTS, FIGURES & DATA

With its approx. 10,000 employees in total, the client portal comprising the entrance zones of the employment agencies and 46 service centres serves as the entry portal of the BA and as the initial port of call for most employees, along with the online channel, for a preliminary clarification of their issues. This is where the course is set for all later processes.

High availability for clients and dealing with their requests as easily and promptly as possible take centre stage in the day-to-day work. The organisation is making continuous progress here in organisational and technical terms. This currently includes trials aimed at 2nd-level solutions for service requests as well as online scheduling and guidance options at various properties. Over 5,000 staff work here from 8 a.m. to 6 p.m. Monday to Friday to ensure our availability for clients on the telephone.

Extra hotlines installed for special client groups

In addition to the normal telephony, a hotline for self-employed persons and artists and a care hotline were introduced at the end of 2020 and beginning of 2021, respectively. The corona pandemic's impact on the labour market has particularly affected the group of the self-employed and artists. This group does not come under the short-time regulations, and emergency assistance programmes often merely cover their operating expenses. Livelihoods can often only be secured by payments in the legal purview of Social Code II. Applying for benefits securing their subsistence was a totally uncharted territory for this group of people.

Over and beyond this, the in-patient care and integration support facilities were helped in their search for voluntary testing assistants by means of a nationwide hotline. The BA closely coordinated this with other supporters, e.g. the Bundeswehr and German Red Cross.

The positive findings of the last two years point the way for the years to come. The first topics have already been integrated as part of "BA of the Future", and are currently being trialled.



CAREERS INFORMATION AND VOCATIONAL TRAINING

CAREERS INFORMATION PROVIDES AN OVERVIEW OF TRAINING OPTIONS

The careers information starts with the vocational guidance experts contacting school classes of general education schools, usually two to three years before their finals. In co-ordination with the teaching staff, the vocational guidance experts introduce pupils to the subject of career choice in an age-appropriate manner, and provide them with an initial overview of vocational options in training and study.

The BA's career and study choice experts provide information on training, study and jobs, as well as specific training and study options in the region and beyond. They rely on the BA's diverse range of media in this. Besides

the developments and perspectives in the labour market, the competencies of young people seeking advice and cliché-free guidance also have a large role to play in the careers information. The BA is often only contacted in their career choice process after young people have already developed very gender-stereotypical ideas of the professions, however. Which is why the BA considers it one of its most urgent business policy tasks to nurture the individual talents and interests of adolescents in a gender-sensitive manner and free from clichés, and expand their range of career choices to include "gender-atypical professions". This for example includes raising young girls' awareness of STEM occupations (science, technology, engineering, and math) and young boys' awareness of caring and social professions.

Young people with difficult starting conditions, e.g. due to low school grades, a migration background or social problem situations, often fail to benefit from training market opportunities. The BA, therefore, prioritises the task of providing precisely these young people with the best possible support at the start of their career.

PRE-EMPLOYMENT VOCATIONAL GUIDANCE EXPANDED

Virtual vocational guidance offered nationwide

The pre-employment vocational guidance is a reliable partner for pupils and students as well as parents and teachers. The services continued to be available even under the pandemic's difficult framework conditions, then partly by telephone and virtually. New information and guidance formats were also put to pragmatic use on a local level, not infrequently with the involvement of cooperation partners in the training market.

Since April 2021, virtual careers information services have been available nationwide in the pre-employment vocational guidance and guidance for vocational rehabilitation and participation, in addition to the attendance-based events at the schools. The virtual format was readily accepted by the schools and other network partners involved in the careers information events. It has established itself throughout Germany, ensuring better access to more young people at the juncture between school and work, and especially their parents and/or legal guardians, by way of this additional virtual format.

Extensive materials assist vocational guidance experts in the (virtual) careers information

The vocational guidance experts have been equipped with extensive materials and practical examples to support them in providing qualified information services, especially to the target groups of students and non-pupils. For the professional performance of virtual careers information events, the guidance experts were provided with technical handouts as well as method-related and didactic tips, plus practical examples.

CAREERS INFORMATION MEDIA IN GREAT DEMAND DURING THE PANDEMIC

Digital services have become an indispensable part of the careers information media, as was constantly confirmed during the corona pandemic, especially. Client expectations and needs relating to modern digital services are changing as well. Given their growing importance, the media were developed further and dovetailed even more.

Check-U – online tool for young people successfully expanded



CHECK-U
THE EXPLORATION TOOL OF THE
FEDERAL EMPLOYMENT AGENCY

Online services find ready acceptance. Check-U, the

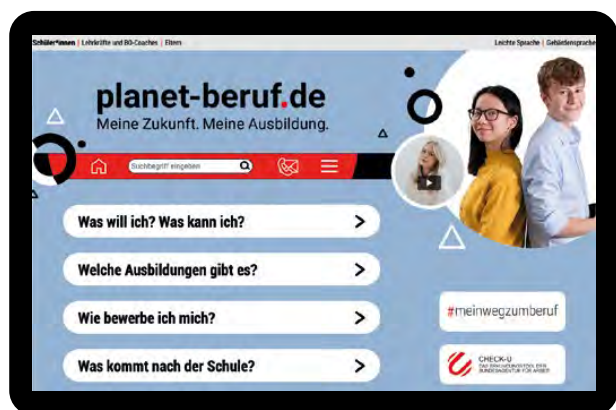
BA's exploration tool for initial careers information (www.arbeitsagentur.de/check-u) counted over 607,000 new registrations in the 2020/21 school year, for example, an increase of 86 per cent from the previous year. Various activities contributed to this during the pandemic, inter alia including extensive support materials for the teachers' (digital) use in lessons, target group address in social media channels with reference to Check-U, and its presentation to multipliers such as the Standing Conference of the Ministers of Education and Cultural Affairs of the Länder in the Federal Republic of Germany, competent Länder ministries, and meetings of the heads of Länder schools departments.

Check-U is an integral part of the overall careers information and guidance process and closely dovetailed with the BA's vocational guidance. Greater reflection upon own interests and preferences, skills and competencies is intended to reduce the risk of dropping out of training or studies.

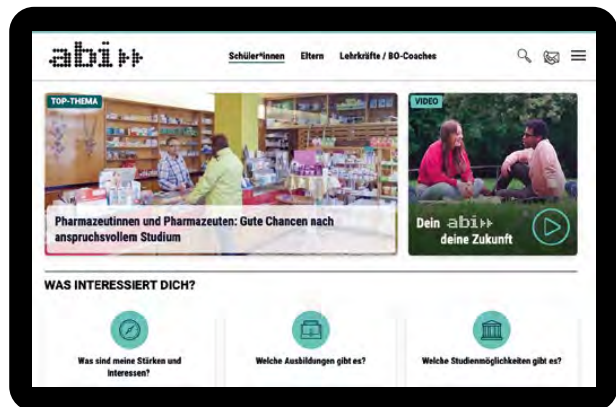
Online portals Planet-beruf.de and Abi>> further expanded

The two target group portals for pupils' careers information, www.planet-beruf.de and www.abi.de, have been revised from scratch and optimised for mobile use (mobile first). The new design went live on 1 September 2021. Both portals have already been offering comprehensive teaching ideas for teachers and materials for pupils in an online

and print version for digital careers information lessons under pandemic conditions since mid-2020.



Planet-beruf.de was designed as a multimedia information service (online, print, videos, podcasts, interactive elements) and offers direct access to topics revolving around career choices, applications and training by way of issue-specific questions. Planet-beruf.de helps pupils on secondary level I and young people in the careers information phase to figure out their career plans. The online and print media combination also offers extensive information and services for parents and legal guardians.



There are many routes to a suitable career or study course. The Abi>> portal picks young people up where they are in the careers information process. It offers easy access to topical information with compact contents by way of six central issues.

The topics include exploring one's own strengths and weaknesses, information on training and study, support options, or the preparation for starting a training or study course. There is a new TOP theme every two weeks with contributions revolving around training, study and work.

Videos, news, event listings and other interactive services such as weblogs, games and chats round off the proposal for pupils in the intermediate and senior gymnasial grades.

New online portal #AusbildungKlarmachen rolled out

With the campaign page "Find your calling! #AusbildungKlarmachen" (www.arbeitsagentur.de/m/ausbildungklarmachen), the BA has rolled out a new portal offering young people various services for a successful career start, interactive and in a youth-friendly design. Training opportunities, also in cooperation with partners in the Training Alliance, regional services and success stories about careers information flesh out the service and are designed to inspire young people in their career choices. Besides which there is also a reference to guidance services and assistance options. The service is completed by the "AzubiWelt" app providing access to the training exchange.

Digital teaching units provided for senior gymnasial grades

Fifty digital cross-Länder teaching units for gymnasial senior grades have been developed in cooperation with the Stiftung der Deutschen Wirtschaft (sdw) gGmbH and provided to teachers and vocational guidance experts. The materials are designed for independent work at home and communication by digital media. They do not understand themselves as a proposal merely for times of "social distancing", but offer suggestions for the design of hybrid learning as an expansion of or alternative to attendance-based proposals.

This way, independent orientation steps in the career and study choice process can be combined with attendant school proposals into effective blended learning concepts to provide pupils with the best possible guidance and support at all times.

Virtual careers information fairs introduced

A platform solution for careers information fairs was purchased in 2021 to replace the fairs cancelled because of the pandemic. In the same year, it served to hold 18 virtual fairs of over 40 employment agencies altogether. These fairs registered just under 40,000 visits.

Careers information centres support the individual search for information

The careers information centre of the local employment agency is the central contact point for questions all around the subjects of training, education, study, careers and the labour market. Many terminals offer opportunities for re-searching relevant information for own career choices, looking for training market or job vacancies, and creating professional application documents, online and free of charge. Young people – and increasingly also adults – use the careers information centres of the employment agencies to search for individual information. School classes regularly visit them for careers information.

In schools experiencing difficulties reaching a careers information centre due to infrastructural conditions, tablets are also used for online research. Young people show a great interest in this proposal, and it encourages them to continue informing themselves on their own smartphones.

INDIVIDUAL GUIDANCE IN THE CAREER CHOICE TAKES PERSONAL PREFERENCES AND TALENTS INTO ACCOUNT

The BA's pre-employment vocational guidance supports young people who are taking the step from school into a professional career in various ways. The end of the career choice process is meant to be marked by a sound, autonomous decision that is based on a clarification of personal preferences and skills, as well as a broad procurement and processing of information. All the vocational guidance services are meanwhile without bias and free of charge.

The professional and individual guidance provided by the vocational guidance experts is an important basis for young people's successful career choice. Based on the life situation young people find themselves in, the guidance session offers opportunities to discuss career goals and aspirations, expand the range of career choices, and develop targeted solution strategies in cooperation with them, all while catering to their aptitudes and preferences. If necessary, the BA's Specialist Services (Occupational Psychological

Service, Medical Service, Technical Advisory Service) can be brought into play, e.g. to explore the personal requirements for specific occupations.

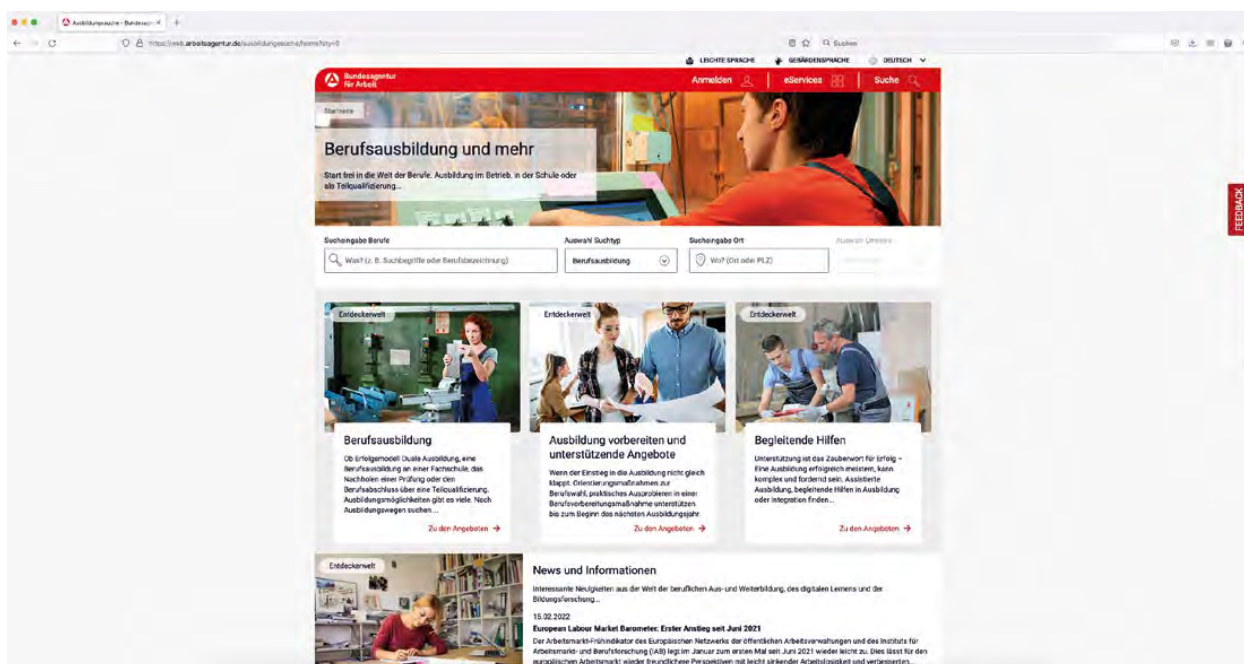
TRAINING PLACEMENT BRINGS YOUNG PEOPLE AND OFFERED TRAINING MARKET VACANCIES TOGETHER

The mathematical supply and demand ratio on the training market has tilted in favour of applicants in recent years. But regional, vocational and qualification-related imbalances complicate an actual clearing of the training market, not to speak of the pandemic-related restrictions. The work of local vocational guidance experts here decisively contributes to showing young people alternatives to their ideal profession, fostering their possibly required readiness to move, and convincing employers of the potentials of previously unsuccessful applicants.

The BA is where young people and employers go for being placed in and filling training market vacancies. In the course of a guidance year starting on October 1, young people turn to vocational guidance for support in their search for vocational training. Apprenticing companies simultaneously report their unfilled training market vacancies. The BA aims to bring about the conclusion of training contracts for all applicants by the end of the guidance year on September 30 at the latest or, failing that, to find a meaningful alternative. Even after this date, its placement efforts will continue for any applicants still left unsupplied.

The vocational guidance experts provide information and support in all issues relating to vocational training or study choices. In the area of dual training or dual study, the BA sees to regional and transregional placement with suitable employers, also by way of the JOBSUCHE (job search) online portal. School training places and study courses are published in corresponding online channels. The vocational guidance experts are also contacts for young clients in search of an internship.

The pre-employment vocational guidance services are also continued after the general school education at secondary vocational schools, universities or for non-pupils.



NEW TRAINING SEARCH PORTAL INTRODUCED

The new "Vocational training and more" service went online in the summer of 2021 (www.arbeitsagentur.de/berufsausbildung). It offers young people at the transition from school to work access to regional options revolving around school educations, the resitting of school exams, and services in the preparation for training programmes, or the support attending them.

SUPPORT MEASURES HELP THE TRANSITION TO A WORKING LIFE AND ENSURE SUCCESSFUL TRAINING

If the transition from school to work does not immediately succeed or the continuation of the training is at risk, the BA can rely on a range of specific support measures to help candidates reach a level where they are ready for training, to stabilise training relationships, or open up new perspectives. New routes into training or permanent employment can also be highlighted and taken where young people have dropped out of college.

The early systematic support for careers information and career choice by way of promotional instruments starts in the school years already. The mentoring system for transition to the labour market, for example, can support young people requiring assistance at general, special and secondary schools by helping them graduate or transition to vocational training. Upon the expiry of the co-financing by the European Social Fund (ESF), this mentoring can only be provided if the Länder or local authorities agree to co-finance it. Since the 2019/20 school year, it is no longer available in all the Länder.

To provide young people with an idea of their career opportunities and the diversity of skilled occupations at an early stage, the BA uses the instrument of "careers information measures". They supplement the careers information services provided by vocational guidance experts in schools and careers information centres and can for example include comprehensive information on occupational fields, the exploration of interests, or an in-depth aptitude assessment.

This systematic support is also continued after general school. For young people not yet able to take up vocational training, there are pre-vocational training measures in place to prepare them for it, and to integrate them into the

training market as sustainably as possible. These measures also offer an opportunity to re-sit the exams for the German school leavers' certificate (Hauptschulabschluss).

Entry-level training in companies (EQ) is a service designed to pave the way into in-company vocational training for adolescents with placement complications and no training place. Employers hiring young people under this scheme receive subsidies for the internship pay plus a flat-rate share of the total social security contributions for the trainees to be qualified. Ever since August 2020, young people taking part in the EQ scheme can have their travel costs refunded. As the claimants of basic income support for job-seekers can already deduct travel costs in their income calculation, this arrangement was only introduced for participants from the legal purview of Social Code III.

The "Act for promoting further vocational training in structural change and advancing the promotion of training" has streamlined the apprenticeship supervision (abH) and assisted learning (AsA) services into a single instrument, "AsA flex", that continues to offer all their proposals. Apprenticeship supervisors assist young people in their in-company training and EQ with remedial education services, and provide help with everyday problems by way of the social education specialists at the educational institution. The supervisors aim to ensure a successful start, continuation or completion of the training or EQ.

The assisted learning programme AsA is a support instrument designed to assist disadvantaged young people in need of support and their apprenticing companies in the in-company vocational training. It is aimed at ensuring the successful completion of the vocational training. If desired, AsA can already commence before the start of the vocational training in so-called training preparation or preliminary stages, and help in the search for a suitable training market vacancy, for example.

Eligible, disadvantaged young people who could not even be placed in an in-company training with educational support services can still undergo vocational training at an educational institution in the "Vocational Training in External Facilities" programme. The practical component takes place in the workshops of the educational institution or an apprenticing company. Besides vocational schooling, the educational institution also provides additional support and remedial education, as well as socio-educational support for everyday problems. This is aimed at a permanent tran-

sition to an in-company training programme or at a successful vocational qualification.

Trainees receive a vocational training allowance for in-company or external vocational trainings in a recognised skilled occupation, or for in-company vocational training under the Care for the Elderly Act or Caring Professions Act. One of the attendant requirements is for trainees not to live in the household of their parent or parents because the training centre cannot be reached from there within a reasonable time. If trainees are over 18, married or in a civil partnership (or have been), or have at least one child, they can also receive the allowance if they live within reach of their parental home. The allowance is additionally available for pre-vocational training, and the training preparation and/or preliminary phase of an AsA. The allowance is paid as a grant.



FURTHER DEVELOPMENT OF SUPPORT INSTRUMENTS CONTINUED

The "Act for promoting further vocational training in structural change and advancing the promotion of training" has also created a new legal basis and adjusted concepts where the instruments for young people are concerned.

One focus in the support services for young people in 2021 was on the reconceived assisted learning as per §§ 74–75a of Social Code III (AsA flex). This has been available since spring 2021 in a preliminary phase and from autumn 2021 with the accompanying phase as a support service for young people and (their) training organisations. The new design and accounting method aim to ensure more flexibility and transparency. The introduction of the new AsA flex received intensive support. The feedback and experiences obtained this way are to be used for its further design.

To enhance the support at the transition from school to work and adapt it to the new conditions and requirements, an update of the pre-employment vocational guidance (BvB) concept was started for the standard BvB (1–3). This is intended to tailor the support provided to young people's individual needs even better and pay greater heed to the requirements of work 4.0. The planned reconception involved various exchange formats with internal and external network partners. A workshop with adolescents (taking part in the pre-employment vocational guidance) was also initiated. The findings will be integrated in the further development of the functional concept. The updated functional concept for BvB (1–3) is to be published in April 2022.

FEDERAL "SECURING TRAINING PLACES" PROGRAMME EXTENDED AND EXPANDED

To cushion the corona pandemic's negative repercussions for the training market, the Federal Government has adopted an aid programme for small and medium-sized enterprises (SMEs) with the federal programme "Securing Training Places". This is designed to prevent the corona pandemic from turning into a crisis for young people's professional future and the supply of skilled workers. The BA is responsible for implementing four of the federal programme's five support services, for which an administrative agreement was concluded between the Federal Gov-

ernment and the BA. A Second Amendment of the First Funding Guideline was adopted on 23 March 2021 to help more businesses benefit from assistance. This extended the programme and markedly expanded the assistance.

Where the training year 2021/22 is concerned, the premiums for trainings commencing from 1 June 2021 have been doubled from € 2,000 (for the same training level) and € 3,000 (for a higher training level) to € 4,000 and € 6,000. This provided additional incentives for apprenticing companies.

The subsidies for the avoidance of short-time work during training were also made more attractive: subsidies can now also be paid to remunerate trainers, for example. The training allowance can be additionally subsidised as before if the vocational training is continued in the business despite short-time work. And companies with up to 499 staff are also eligible for the payments now. The previous limit was 249 employees.

A new special subsidy served to reach micro-businesses forced to largely shut down their normal operations in the second lockdown: businesses with up to four staff can receive a flat-rate subsidy of € 1,000 per trainee if they have continued their training activity for a minimum of 30 days. The application deadline was 31 July 2021.

The take-on premium has been extended until the end of 2021 and doubled to € 6,000. Besides the taking on of trainees from insolvency cases, it can now also provide support in the event of pandemic-related dismissals or cancellation contracts being concluded.

All this is implemented in a decentralized fashion in the local offices of the employment agencies – by the Employers' Service (informing and advising employers, deciding about services) and the Operative Services (issuing notices, paying the subsidies).

In 2021, the BA approved around 41,600 premiums, ca. 25,900 subsidies for training allowances, ca. 3,000 subsidies for trainer remuneration and around 470 special lockdown II subsidies. This adds up to a total outlay of ca. € 165.47 million in subsidies in the year 2021, including administrative costs.

NETWORKS AND PARTNERSHIPS

THE BA AS AN ACTIVE NETWORKER

Securing employment and skilled workers, supporting career starts, providing vocational perspectives for the employed and unemployed: these are the declared aims of the lifelong vocational guidance, but also other actors in the training and labour market. The BA plays a moderating and shaping role in the development and expansion of cooperations and networks. It understands itself as a provider of local networking stimuli and coordinates its services with the partners.

Established and proven networks help to secure skilled workers and provide people with (new) vocational perspectives in times of crisis – and not only then. The importance of efficient networking was highlighted during the corona pandemic: In times of contact restrictions and limited access to information and guidance proposals, but also businesses, schools and important cooperation partners, the local employment agencies increasingly switched to virtual channels to cooperate with partners in the training and labour market, and banked on addressing businesses by way of their Employers' Service.

NETWORKS HELP TO SECURE SKILLED WORKERS IN BUSINESSES

The Employers' Service has extensive guidance services (labour market guidance) available for employers to competently support them in personnel recruitment, personnel development and sustainable staff retention. If the guidance needs exceed the guidance mission of the BA (§ 34, Social Code III), the Employers' Service calls in other guidance experts to ensure the most integrated guidance possible. It contacts other guidance institutions for this, and initiates the development of local guidance networks.

The cooperation in these networks also serves the development of approaches and strategies with other labour market actors and specialists in the field to help businesses master operational challenges in the structural transformation.

NETWORKS PROMOTE VOCATIONAL TRAINING

Pre-employment vocational guidance ensures career starts by networking

Many actors at the transition from school to work are engaged in bringing adolescents and establishments together and enabling the best possible career start for weaker adolescents. The successful career start of our clients is a business policy objective of the BA. The pre-employment vocational guidance meanwhile serves as a reliable actor in nationwide, regional and local networks.

The local vocational guidance experts closely coordinate their various services with partners in a careers information and vocational guidance context, e.g. with schools, chambers, counselling centres, associations, local authorities, local SCHULEWIRTSCHAFT working groups, and employers.





The Training Alliance has started a joint initiative for the targeted promotion of attractive dual vocational training programmes in the second year of the corona pandemic. This involved special days and weeks with diverse events on a nationwide, Länder and regional level with information and support proposals all around the training start in 2021.

YOUTH EMPLOYMENT AGENCIES AND YOUCONNECT SUPPORT YOUNG PEOPLE IN THE TRANSITION FROM SCHOOL TO CAREER

The idea of youth employment agencies has established itself throughout Germany

The vocational and social integration of young people presents jobcentres, employment agencies and youth welfare offices with new challenges every day. In the youth employment agencies, all these actors work as a team – the vocational guidance, training placement and employment services, youth welfare, and more and more often also schools. The know-how and support options from the various areas of responsibility are pooled to find good solutions together with the adolescents, and provide them with

the best possible support in the transition from school to a working life. The nature of this cooperation depends on the local framework conditions and thus differs from one youth employment agency to the next.

The service office of the youth employment agencies held a nationwide survey in 2021 at the behest of the Federal Ministry of Labour and Social Affairs (BMAS) and in close cooperation with the BA, Deutscher Landkreistag (association of German districts) and Deutscher Städtetag (association of German cities and towns), according to which Germany had 353 youth employment agencies as of July 2021. In a 2017 survey, the BA had last counted 289. Even with the surveys not being directly comparable, the number of youth employment agencies can still be assumed to have substantially grown in recent years. The idea of a youth employment office has thus established itself throughout Germany by now. As a minimum, the cooperating alliances are composed of the three cooperation partners BA, jobcentre and local institutions of public youth welfare. The partners provide young people (or at least a common target group within the group of young people) with sustained and structured support, and have bindingly agreed their cooperation.



YouConnect ensures digital networking of social service providers

With the digital exchange platform YouConnect, the BA has provided new options for an immediate improvement of the support afforded young people in particular need of assistance within the legal purviews of Social Codes II, III and VIII, starting from 2020. This is intended to pay even greater attention to empirical requirements at the transition from school to career. In a youth employment agency context, "one-stop government" is understood as all the providers' measures enabling young people to resolve all their issues (or at least as many as possible) in one and the same place. This is easier in urban regions, while decentralised structures can still predominate in rural areas. Which makes it all the more important – and not only since the corona pandemic – for precisely these regions to see to their digital networking too.

The BA has put intensive efforts into the elaboration of such a digital service in recent years, making it available nationwide from 2021: YouConnect. With this new decentralised IT tool, the exchange of particularly sensitive social data between the social service providers under Social Codes II, III and VIII can now be digitally networked and accelerated across legal purviews, and assistance decisions mutually coordinated. YouConnect has been attended continuously

by experts from the practice, from the formulation of the idea through to its realisation and development in the year 2020. The digital exchange platform provided now ensures a joint case documentation. This way, all the parties involved are able to gain a fast overview of the procedural progress, keeping them always up to date.

The transition from school to career is a decisive milestone for young people. From the institutions' perspective, YouConnect can make a vital contribution to reducing the shortage of skilled labour that comes with many benefits:

- The holistic support for young people in special need of assistance is improved.
- The institutions are provided with a time- and location-independent, binding and data protection-compliant communication channel.
- The institutions avoid discontinuities in the support or uncoordinated assistance approaches that are usually not only to the detriment of the young people, but also the respective households.
- YouConnect provides stimuli for a systematic and trusting cooperation between the relevant institutions at the transition from school to career.



"PUPIL DATA STANDARD" PROJECT SUCCESSFULLY IMPLEMENTED

The organisational and functional cooperation between the Länder and/or schools and BA at young people's career start has been reregulated by Social Code III § 31a. This serves to reach and support more young people in the sense of the guiding principle of "leaving no adolescent behind".

Social Code III § 31a enables the vocational guidance to actively contact young people lacking concrete vocational perspectives upon leaving school. In addition to the voluntary vocational guidance services as per Social Code III § 29, the expanded options in Social Code III § 31a are designed to also reach young people who have not relied on these services so far.

The "Pupil Data Standard" project cooperates with many partners to fulfil this new official mandate, most of all in the Länder. A transmission technology developed in the project enables future data exchanges between the BA and Länder to use a process that is safe in IT and data protection terms. The project and Regional Directorates additionally supported the Länder in the implementation of the pupil data standard, e.g. by elaborating coordinated data transmission processes in joint workshops.

NETWORKS SUPPORT THE VOCATIONAL GUIDANCE DURING EMPLOYMENT

The vocational guidance for employees has been supporting the close cooperation between training actors and institutions ever since its introduction. It has been integrated in diverse networks right from the start, and uses them for professionally sound work.

The objective resides in expanding and networking the existing guidance services, especially those of the Federal Government, Länder, chambers, associations and training institutions, even further into a nationwide, high-quality, life-long guidance structure.

The focus is on corporations for vocational training and the corresponding guidance services for employees and employers. These cooperations can be part of a regional labour market and economic policy, and integrate the services of the chambers and associations, unions, Länder and local authorities, regional development and research, training institutions, the employment agencies, jobcentres and further actors.

EMPLOYERS' SERVICE

OFFERING NEEDS-ORIENTED SERVICES FOR EMPLOYERS

Far more than two million labour and training market vacancies are reported to the Employers' Service every year. The Employers' Service supports companies with vacancy-oriented placements and labour market consultancy. The type and scope of the service range are individually tailored to the employer's concrete needs. Personal services are complemented by modern e-services. Especially larger companies take advantage of the option to send placement orders online and cooperate with the Employers' Service in a joint account.

The Employers' Service is a service provider for all companies wishing to be supported by it. Declining applicant potentials make the successful filling of vacancies by the placement of precisely matching candidates ever rarer, however. Various solutions are therefore identified in the labour market and qualification consultancy to cover the personnel requirements. Besides the guidance concerning alternative recruitment approaches and employment of skilled workers from non-EU countries, the qualification of employees, or options for sustainable staff retention, the main emphasis is on rendering the applicant market transparent.

One important focus area of the placement and guidance is making employers aware of all the available applicant potentials, including candidates whose profiles may not completely meet the requirements at first glance, but who still appear suitable for hiring because of their special skills or sources of development potential. This also includes applicants with immigration histories. Matching support instruments such as integration subsidies and qualifications are also offered in the process.

The Employers' Service is an important partner for employer-oriented placement. Employment opportunities for candidate groups facing greater difficulties in the labour market, e.g. the severely disabled, long-term unemployed or low-skilled, are systematically explored in sustained client relations with employers.

THE CORONA PANDEMIC INFORMED EMPLOYERS' CONCERNS AND NEEDS

The year 2021 confronted companies with major challenges again. Given the continuing corona-related epidemic situation, many businesses, first of all, continued to focus on securing the livelihoods of their staff and their own business base.

Given the receding impact of the pandemic, a recovery could be registered in the labour market in the course of 2021, and thus an increased demand for labour. The situation in the training vacancy market also eased a little. In some industries, e.g. hotels and catering, the lack of skilled workers was further intensified as not all staff forced to seek out vocational alternatives by the corona pandemic have returned to their former jobs. Supply bottlenecks, inter alia caused by a commodity shortage and lacking transport capacities, showed their first effects on the businesses.

Leading topics in the businesses besides the corona pandemic included digitalisation, the lack of skilled workers, and structural change.

Slow return to normality has set in

The repercussions of the corona pandemic were still clearly tangible in the labour market and businesses in 2021. Even while the need for guidance relating to short-time working allowance in a pandemic context declined in the course of the year, short-time work owed to supply bottlenecks gained in relevance.

The recovery of the labour market boosted the employers' demand for the original services of the Employers' Service again, e.g. support in the search for personnel and guidance inter alia relating to the qualification of employees and alternative recruitment strategies.

Depending on the regional requirements, the contribution of the Employers' Service to the approval of short-time working allowances was thus reduced to be able to focus more comprehensively on the employers' issues again.

Particularly the guidance concerning employee qualification was requested by employers and/or proactively offered by the Employers' Service. Consultations increasingly involved personal contact again.

FURTHER ADVANCEMENT OF THE WORK FOR EMPLOYERS

The labour market is changing, and the employers' expectations from the BA along with it. Based on these expectations, a target vision has been developed for future-ready employer-related work. This target vision was elaborated from a client perspective throughout. It includes an action framework that – based on the regional conditions – offers leeway for the local work. Our activities are thus decisive-

ly shaped by the client's issues, in line with the BA claims: professional, competent, needs-oriented and individual.

A nearly two-year trial of a new model for realising professional labour market guidance for more complex guidance needs has shown a corresponding demand for this service to exist amongst employers. Particularly the intensive teamwork with external guidance experts and networking on a work level aimed at processing their issues comprehensively and integrally were met by a positive response from the employers.

Given the pandemic, employer guidance options based on video communication found more extensive use. The employers are open to video communications in specific cases, e.g. follow-up consultations, but continue to prefer personal consultancy.





SPECIALIST SERVICES

The BA's placement and integration process is consistently supported by the provision of the three specialist services below:

THE OCCUPATIONAL PSYCHOLOGICAL SERVICE (OPS) DEVELOPS A NEW ASSESSMENT PROCESS FOR READING SKILLS

With its range of services, the OPS supports the BA's clients and guidance, placement and integration experts from both legal purviews, including interested and approved mu-

nicipal providers, in vocational issues and the integration in training or work.

The service provision concepts and processes adjusted because of the pandemic were consolidated and further developed in 2021, to also move clients forward in cooperation with the guidance, placement and integration experts under pandemic conditions.

In addition to which a new assessment process for reading skills was developed and introduced. Basic reading skills are a necessary basic skill for most vocations. The relevance of basic skills has also grown in the BA's business policy. The OPS has therefore developed a screening pro-

cess for the assessment of basic reading skills, for use in the psychological appraisal of youths and adults. The assignment material consists of texts that are close to everyday life and work, partly with tables and graphics, and is thus tailored to the deployment context and target group. With the practical trial of the test in the OPS a success, it has been rolled out nationwide since mid-2021 – also in a computer-based test version.

THE MEDICAL SERVICE (MS) ASSESSES THE HEALTH RESOURCES AND RESTRICTIONS OF BA CLIENTS

The task fulfilment methods that have proven themselves in pandemic times have consolidated themselves in the MS. Clients could be medically assessed and advised despite the corona-related restrictions. Besides expanded consultation on the telephone, the MS was also still available for personal contacts at the office if required.

In addition to their original tasks, the MS staff also contributed to supporting the public health system in the pandemic, inter alia by assisting vaccination centres, but also health authorities, carry out their tasks (e.g. in the performance of vaccinations and contact tracing).

501,300

medical assessments and consultations for clients from both legal purviews

The services provided by the MS are also undergoing continuous further development to make better use of up-to-date digital options. Video communication is thus to serve the MS as a supplementary communication channel in the assessment of clients shortly.

THE TECHNICAL ADVISORY SERVICE (TAS) ADVISES ON OCCUPATIONAL HEALTH AND SAFETY (OHAS) IN MOBILE WORK

The engineers of the TAS support the creation and securing of workplaces for people with disabilities. They also provide advice on technical work aids and the application of structural measures for a successful integration of persons with disabilities in the training and labour market.

31,100

hours worked for occupational health & safety

The technical consultants additionally contribute their expert know-how to the quality assurance of vocational training institutions. They are involved in funding decisions for new and the conversion of existing youth residences with an assessment of the room programme and equipment, also in consideration of accessibility.

The technical consultants additionally support the OHAS managers in the offices as qualified OHAS experts. Besides the additional pandemic-related consultation requirements relating to the health protection for staff and realisation of the operative roadmaps in regional arrangements, the focus was on OHAS in mobile work. The staff and management can now rely on a modular guidance service for mobile work.

EQUAL OPPORTUNITIES FOR WOMEN AND MEN

ESTABLISHING EQUAL OPPORTUNITIES FOR WOMEN AND MEN AS A CONSISTENT PRINCIPLE

Nearly two years of corona pandemic have highlighted how differently the pandemic affects the labour market situation of women and men. Existing inequalities were exacerbated in many places, given that equal opportunities had not been realised in the labour market before the pandemic either. Women are thus disproportionately represented in marginal or part-time employment, and more involved in care or household chores (raising of children or caring for relatives) than men.

For the BA, promoting equal opportunities for women and men in the labour market in the sense of gender equality is a consistent principle legally anchored in Social Codes II and III.

Germany has around 8.23 million families with young children, ca. 1.45 million (18 per cent) of them single-parent. Single parenthood meanwhile mostly affects women: in 88 per cent of all cases, the single parent is the mother. The difference between the actual average working hours of employed women and men with dependent children amounted to ten hours a week (men: 41 hours, women: 31 hours) before the start of the pandemic. Single mothers and fathers suffer worse income conditions. This emerges particularly clearly amongst single mothers: over half (53 per cent) live on a net equivalent income of less than 1,220 euros.

SERVICES FOR RETURNEES EXPANDED

The return of female skilled workers to the labour market after a family-related career break or extension of their working hours often falters due to lacking or inadequate support in the re-entry phase. The BA, therefore, accompanies women getting back to work with a great number of

guidance and support services that cater to the needs of the regional labour market. The Commissioners for Equal Opportunities in the Labour Market (BCAs) here supported the vocational guidance during the career with supplementary information events for returnees. These increasingly tended to be held in a digital form in 2021, which helped to expand their potential reach.

"BACK TO WORK PERSPECTIVE" PROGRAMME SUCCESSFULLY CONCLUDED

The multi-award-winning ESF programme "Back to Work Perspective" jointly operated by the BA and Federal Ministry for Family Affairs, Senior Citizens, Women and Youth ended on 31 December 2021 after 12 years. The focus was on providing a guidance system that will most of all benefit returnees to the labour market (www.perspektive-wiedereinstieg.de). Online courses at PWE@online additionally enabled the first-ever provision of a time- and location-independent qualification service tailored to the needs of returnees. Just over twenty local project partners accompanied clients' returns to the labour market along with the involved agencies and jobcentres in joint institutions, and supported them with professional coaching.

The programme highlighted that persons interested in returning to work can, in particular, be offered the opportunity to do so in keeping with their qualifications by networking all the local actors in the agencies and jobcentres in joint institutions, local and district authorities. Supporting the return to work will also remain a joint task in the future with an eye on each individual, especially in view of securing skilled workers. The BA will therefore also continue to be active in various ways in the future to support returnees with guidance and qualification. This guidance is provided by way of the vocational guidance during employment and locally supported by the BCAs in the employment agencies and jobcentres in joint institutions with their network partners.

INTENSIFYING THE GUIDANCE FOR HOUSEHOLDS IN NEED OF ASSISTANCE

The family-centred approach of the guidance places a deliberate focus on households with children. It is important to activate mothers and fathers early on in their parental leave. The demand for nursery places for children up to prime school age is continuously growing. The lack of reliable and needs-oriented places in day care centres, crèches and day nurseries can prevent parents, especially single parents, from taking up work.

Participation in work is an essential necessity for a self-determined, equal and livelihood-securing life in society for all groups of persons, however. Preventing unemployment is one of our most important objectives. The BA is engaged in a continuous dialogue with its municipal partners for the provision of a flexible, needs-oriented and comprehensive childcare structure, and informs its placement and guidance experts on local childcare structures.

Juggling the career and family still remains a major balancing act for parents. This particularly applies to jobs where parents work in shifts, marginal periods or on weekends. The BCAs provide special stimuli here, advise managers on the activation of parents, and support the targeted networking for ensuring local childcare. Qualitative and needs-oriented childcare helps the participation of parents in work, and thus counteracts child and old-age poverty. The guidance also looks for support options in this context if relatives are in need of care.

The most effective approach to reducing long-term unemployment would be to not let it come about in the first place. With an eye on the children, the risks of cross-generational unemployment are to be reduced. The family centred approach also addresses the children in households in need of assistance to help them perceive working parents as a normal fact of life and as role models. Children's books that have been trialled in focus regions and translated into various languages are designed to motivate parents to look into (re-)starting work as early as during the parental





leave. The BA has deliberately opted for this creative, novel approach to meet the aspiration of considering all aspects of "diversity" consistently in the development process of the children's books.

With its involvement in networks and projects, the BA picks up on proven, regionally specific labour market policy measures. A particular focus is placed on the (further) development of digital services here.

IMPROVING THE SITUATION OF FEMALE MIGRANTS IN THE LABOUR MARKET

The corona pandemic and attendant containment measures have had a particularly powerful effect on the labour market opportunities of recent immigrants. This applies to their long-term employment perspectives as much as the entire integration process. The positive trend in the integration of refugees has been disrupted. On the one hand, many people from asylum-seekers' countries of origin have lost their jobs. And on the other, the language and training acquisition has been decelerated or temporarily stopped.

Female refugees are particularly hard-hit by the negative consequences and thus remain a priority in the guidance. Over and beyond this service, the BA is also an active partner of the BMAS- and ESF-funded "Integration by Qualification (IQ)" programme aimed at improving the labour market opportunities for people with migration backgrounds.

In the "Fem.OS" pilot project funded by the Federal Government Commissioner for Migration, Refugees and Integration, specially trained guidance experts contact women with migration backgrounds in their native language, e.g. by way of self-organised groups or channels in social media platforms. The female guidance experts offer information for orientation in the labour market, on language support, the search for job and training vacancies, recognition of vocational qualifications, or childcare options for taking up work or training. The guidance experts also refer to the guidance and support services of the employment agencies and job centres, which most of the contacted women then rely on, too.

EXPANDING THE SUPPORT FOR PART-TIME VOCATIONAL TRAINING

A recognised vocational qualification is decisive for a successful career start and the attendant career development. The way to it is diverse, can be occasionally ruptured, or not available to everyone the regular way. This for example applies to people who have been unable to complete a training so far because they started a family early on, care for relatives, or need to attend accompanying language courses. But also to many other, individual life situations. Part-time vocational training can be a suitable training option for these people to develop their potentials and open up perspectives. The BA Employers' Service is supported by the BCAs here in the maintenance of contacts with employers, employer organisations, networks and advisory centres. Women and men are informed about the advantages of part-time training. At the same time, the BCAs also support the Employers' Service in the acquisition of part-time training market vacancies, and cooperate closely with the chambers.

LONG-TERM UNEMPLOYMENT AND SOCIAL PARTICIPATION

STILL NEED FOR ACTION IN REDUCING LONG-TERM UNEMPLOYMENT AND DEPENDENCY ON BENEFITS

The long-term unemployment grew further in the summer of 2021 as a consequence of the corona pandemic and averaged 1.03 million over the year. Inter alia, the causes of this increase included bad employment opportunities for the unemployed and a reduced relief effect from labour market promotions. The reduction of long-term unemployment thus remains one of the paramount socio-political challenges.

The objective resides in fighting the root causes of long-term unemployment, sustainably integrate long-term unemployed persons in the labour market, and thus ensure social participation. This calls for integrated local strategies in cooperation with the labour market partners in consideration of the local labour markets and diverse life situations of clients.

In the context of this strategy for reducing long-term unemployment (LTU) and the dependency on benefits, several development themes able to affect or counteract the obstacles and/or problem situations faced by the long-term unemployed and/or persons threatened by long-term unemployment were identified in a dialogue with representatives from jobcentres in joint institutions, employment agencies, Regional Directorates, and scientists.

The development work here is focused on five themes being trialled in 49 so-called "LTU focus regions":

- Recommendations for the integration work with households in need of assistance
- Applicant-oriented employer address
- Promotion of employment subject to mandatory social security contributions in the general and social labour market
- Life situation-oriented integration strategies in the municipal sphere, and
- Alternative forms of guidance

FIRST FINDINGS DERIVED FROM THE DIALOGUE AND DEVELOPMENT PROCESS

In the development of holistic local strategies across legal purviews, the branches were able to rely on the services of the Internal Guidance. The development and trialling of innovative approaches to the development themes were accompanied by external case studies in the LTU focus regions. The findings obtained this way in the dialogue process indicate development perspectives for the LTU-related strategy and future-oriented alignment of the basic income support for job-seekers.

The development and trialling of life situation-oriented integration strategies in the municipal sphere have shown that approaches relating to the social space are apt to meaningfully expand the service portfolio of the jobcentres in a people-oriented manner. Intensive networking activities and the close interlinkage with municipal services contribute to better support, guidance and integration work. This helps to provide options for social participation and actively counteract the isolation of claimants.

The development of recommendations for households in need of assistance with children has shown the targeted support of families to be an important starting point for the job centres' integration work. Particular attention was paid to households with children up to three years here. The guidance and placement strategies of the jobcentres in joint institutions can substantially vary for this client group from one locality to the next.

Given the lack of data about the extent in which early activation strategies affect the labour market opportunities of parents, an "Early activation in households in need of assistance with children" (FrAuKe) research project is in preparation with the Institute for Employment Research (IAB). This will study the causal effect of an early activation intervention on the integration of parents from households with children aged up to three in the labour market. The intervention planned in this context includes a short seminar with follow-up proposals. The target group are mothers with children aged 12 to 30 months from single- and two-parent households in need of assistance, all nationalities.

The shared learning and dialogue process has overwhelmingly shown that:

- Enhancing the guidance skills is an essential adjusting lever for the successful implementation of local LTU strategies. It offers an opportunity to make greater use of alternative guidance options for clients in various life situations. Holistic employment-oriented guidance was thus identified as a development perspective for the basic income support for job-seekers.
- Close coordination with local labour market partners in the development and implementation of local LTU strategies has proven to be an important success factor. A qualitatively holistic implementation is to be further strengthened in the shared learning process.
- To improve the guidance and service quality in the employment-oriented case management, suitable approaches from the case studies in the specialist "Case Management" concept are to be included and considered. An audit of the case management is also aimed for with the Deutsche Gesellschaft für Care und Case Management to bring about an improvement of the holistic quality understanding in the case management of the jobcentres in joint institutions.

"PARTICIPATION IN THE LABOUR MARKET" INSTRUMENT HAS ESTABLISHED ITSELF

The Participation Opportunity Act (Social Code II §16i) brought the introduction of the "Participation in the labour market" instrument, which has become well-established in the meantime. The social participation of long-term claimants of unemployment benefit at a far remove from the labour market is enabled by subsidised employment subject to mandatory social security contributions.

The implementation is going successfully. The subsidised employments have also remained largely stable in pandemic times. First findings indicate that the target group envisaged by the legislator is being reached. The subsidised employers are also satisfied with the development of the subsidised employment so far.

The BA supports the permanent anchoring of this instrument in law over and beyond the current limitation until 31 December 2024. Perpetuating the instrument calls for adequate financial resources.

VIDEO COMMUNICATION AS A FLEXIBLE AND DIGITAL SERVICE PROPOSAL – ALSO AFTER THE PANDEMIC

Digitalised processes are vital for modern and future-ready jobcentres in joint institutions. To implement the client wish of being increasingly able to resolve issues online in the future, the BA is providing a video communication process. The significantly restricted client contact options during the corona pandemic have once again increasingly highlighted the need to introduce efficient digital processes, also under the aspect of public health protection.

The process was first of all successfully tested at 47 joint institutions in LTU focus regions. Since August 2021, the video communication has been available nationwide in a basic service under Social Code II.

The findings of an attendant evaluation confirm the needs-orientedness of the video communication as a supplementary service, also in the area of basic income support for job-seekers. All surveyed clients would principally recommend the video communication to others.

The sustained establishment of video communication is a transformation process on both the client and staff side. Which is why further measures and a continuous further development of the process are planned. One essential expansion was for example created in October 2021 with the option to involve other interlocutors (e.g. interpreters, legal carers).

INCLUSION

Unemployed people with disabilities are often highly qualified. This potential is to be made better use of for the labour market. But improved chances for a job do not come about by themselves. Decisive is the professional support provided to employers and employees by the employment agencies, and also by the rehabilitation providers and Equal Employment Opportunity Commissions.

What is needed first of all are even more employers willing to hire persons with disabilities. The diverse funding instruments and support services are often too little known. The BA, therefore, banks on the ways of education and information.

ACTION PLAN AND RANGE OF MEASURES UPDATED



INCLUSION

The Inclusion Action Plan and attendant range of measures were published in the year 2020.

The inclusion coordination unit has started to draw up a progress report for both formats in 2021 already. This consistently

traced the dual perspective as an employer and service provider in the labour market. The coordination unit has already struck up a dialogue on this with the Regional Directorates based on issues from the EFQM quality management system. The attendant joint discussions could inter alia reflect on which measures in the range are helpful for perpetuating the BA's inclusion strategy, but also which measures need to have their content revised, or should possibly be added.

The update was participatory in the sense of Article 4 of the Convention on the Rights of Persons with Disabilities (CRPD), i.e. ensured with the involvement of people with disabilities.





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Unemployed people with disabilities are often highly qualified. This potential is to be made better use of for the labour market.

RAISING AWARENESS

The objective of raising the awareness of all BA employees by the end of 2022 with the "When being different is normal – making the UN CRPD perceptible" workshop was also adhered to in the corona pandemic.

Previously attendance-based, the workshop could be converted to an online format. Another 400 multipliers were qualified by the inclusion coordination unit in the year 2021. This means that 600 multipliers are available in the BA's offices throughout Germany at the end of 2021 to hold the awareness-raising workshops.

The objective is and remains to achieve a greater awareness of the inclusion topic to open up new possibilities both internally and in the external contact with clients. The concerns of people with disabilities are meant to be recognised, scrutinised and reflected upon to be able to act in a needs-oriented manner thereafter.

IN CONTINUED PURSUIT OF ACCESSIBILITY

The objective of ensuring equal access for people with disabilities, inter alia to information and communication, was consistently pursued further in the year 2021. This, for example, included the successive provision of further information in plain, but also sign language. The plain language chatbot could be qualitatively and quantitatively enhanced with the help of a newly created glossary of basic labour market policy terms.

INCLUSIVE PARTICIPATION INTRODUCED ON THE LABOUR MARKET

The BA's key account support has been initiating an expert meeting on the subject of inclusion for years already. Participants inter alia include representatives from a wide range of industries, ministries, stock, small and medium-sized companies, but also self-representation organisations.

A workshop on the theme of plain language was held in this format. A further event enabled "other service providers" to present their portfolios as an alternative to workshops for disabled people.

INCLUSION PRIZE MAKES EXEMPLARY PRACTICAL MODELS VISIBLE



One could no longer imagine businesses lacking people with disabilities these days. And that for

good reason, as inclusion has many advantages: it contributes to the securing of skilled workers, strengthens the diversity in the company, and is thus an important competitive factor. Which is why more and more employers from businesses of all sizes and in all industries are banking on inclusion.

The Inclusion Prize for Businesses is lending visibility to these good examples for the ninth time already in 2021 because: every good example can serve as a model and encourage other businesses on their way to more inclusion.

The prize winners in 2021 were:

- Deutsche Post DHL Group (Bonn)
- Ford-Werke GmbH (Cologne)
- Goldbrötchen-Bäckerei Ralf Jahns Müller (Werda)
- DokuService Knoll (Greifswald)



Scan this QR code to go to the Inclusion Prize.

www.inklusionspreis.de

i INCLUSION PRIZE FOR BUSINESSES



The four companies below were awarded the Inclusion Prize for Businesses in 2021 because they uniquely demonstrated how inclusion can work successfully:

Deutsche Post DHL Group from Bonn

This company is Germany's largest inclusive employer: Over 15,000 people with severe disabilities work for Deutsche Post AG alone. An inclusion department has been established in Cologne specifically to employ people with autism. In Leipzig, the group started a project for deaf people: full-access working conditions, e.g. pagers and flashing lights, but also special training and education measures enabled several deaf employees to be hired here. Inclusion is a lived element of the corporate culture and actively driven as part of the group strategy.

Ford-Werke GmbH from Cologne

Most disabilities only come about in the course of one's working life. The objective then is to find good solutions in the work environment too, for which this company banks on innovative projects and insourcing measures. Ford-Werke GmbH is a pioneer for this: The automotive group developed a structured reintegration process as early as 2003 as one of the first companies in Europe – with the objective to continue employing experienced skilled workers for as long as possible.

Goldbrötchen-Bäckerei Ralf Jahns Müller from Werda

Inclusion has been successful in this company for 15 years already: employees with physical, mental and psychological disabilities are involved in all the work tasks here, from the production of baked goods via the sale and service in the five branches through to the administration and goods deliveries. The eleven employees with severe disabilities, each of them with their own support plan that takes their individual skills and needs into account and ensures cost efficiency, make up more than a third of the team today. To this end, the bakery cooperates closely with the employment agency, specialist integration service and Municipal Social Association of Saxony. All the workplaces and branches are fully accessible.

DokuService Knoll from Greifswald

A simple chance meeting sparked an impressive inclusion engagement in this company: In 2003, proprietor Peter Knoll met a former employee again, who was now looking for work again after becoming disabled and undergoing rehabilitation at the Vocational Advancement Centre (VAC) in Stralsund – and hired him. This led to close contacts with the Stralsund VAC, followed by many internships for rehabilitants there, and also new hires given the corresponding suitability. At this moment in time, eight people with severe disabilities or equalisation are working at DokuService Knoll already, also on an executive level.

VOCATIONAL REHABILITATION

The main focus of the BA's tasks as a provider of vocational rehabilitation and participation in work is on the initial occupational integration of school leavers with disabilities. Most the rehabilitants supported every year are attributable to this initial integration.

The provision of funding services follows the motto "As general as possible and as specific as necessary". The objective resides in achieving integration in work or training with the general funding services wherever possible. Only where these proposals are insufficient because of the type or severity of the disability will special funding services be required that take the specific individual needs into account. Training and further training programmes are to be provided within or in close association with companies wherever possible. Study findings show that this tangibly increases the chances of subsequent and sustainable employment.

The BA's financial commitments for services ensuring participation in work have been ranging on a high level for several years.

THE BA SUPPORTS THE VOCATIONAL REHABILITATION AND PARTICIPATION OF PERSONS WITH DISABILITIES

Transitions from school into training or study, from training or study into gainful employment, the growing number of transitions in the career, horizontal and vertical career developments in the company, a return to work or a re-orientation are particularly important stations in life for people with disabilities. The BA also supports them in this in corona times with vocational guidance, careers information, funding and placement services that cater to their needs.



GUIDANCE BY VIDEO COMMUNICATION CONTINUED

The corona pandemic, attendant digitalisation drive and protection of the health of clients and staff called for a rapid adjustment of the regular business and expansion of the support and guidance services – especially also for particularly vulnerable persons with disabilities

Although personal meetings continue to be in the foreground of the guidance services, the BA is also offering an alternative communication format including personal interaction for initial and later interviews with "My video appointment". The tried and tested guidance quality standards are also applied in the video communication.

PARTICIPATION ENHANCEMENT ACT IMPROVES THE SUPPORT AFFORDED REHABILITANTS

With this act, which largely came into force on 1 January 2022, the legislator concretises its intention of enhancing the support afforded rehabilitants and promoting their sustainable integration in the labour market. The coordinated action of all parties involved in the process is decisive for a successful rehabilitation.

The BA supports this by way of its rehabilitation process. The framework paper "The rehabilitation process of the BA – basic information and responsibilities for clients of the employment agencies and jobcentres" informs all staff on the rehabilitation process applicable since 1 January 2022 and offers an overview of the individual process stages. This ensures a consistent basic understanding across teams, offices and legal purviews, and carries the idea of "Rehabilitation concerns us all!" further. Extensive revisions and redesigns of qualification and information modules have been initiated in preparation for 2022. First modules have already been developed and provided with close-knit support.

FEDERAL "REHAPRO" PROGRAMME CONTINUED



The federal "Innovative ways to participation in work – rehapro" programme serves the Federal Ministry of Labour and Social Affairs to fund pilot schemes for

strengthening rehabilitation with the aim of providing better support for persons with complex health-related and psychological impairments in the remit of the jobcentres (Social Code II) and pension insurance institutions (Social Code VI).

rehapro places a focus on people who are not merely experiencing temporary health restrictions. The trialling of innovative concepts is intended to find new ways of maintaining and/or restoring the employability of these people to an even greater extent.

The BMAS and rehapro contact points in Social Code II, represented by the BA and Deutscher Landkreistag (Association of German Districts), invited the jobcentres from the first call for applications to the first rehapro Social Code II forum on 11 August 2021. The online event with ca. 70 attendees was focused on an exchange about the innovative ideas and approaches of the rehapro model projects and their mutual networking. The "programme evaluation" working group delivered an overview of the diversity and commonalities of the projects. Then the model projects introduced their ideas and approaches in small groups and engaged in an exchange on specific themes in the implementation, such as prevention or the identification of needs, for example.

In the second call for applications to the federal rehapro programme, 48 model projects were approved with a funding volume of ca. € 235 million: 27 from the purview of Social Code II (jobcentres in joint institutions and jobcentres of approved municipal providers) and 21 from that of Social Code VI. The approved projects started from November 2021.

Amongst other aspects, the BA supports this federal programme with a contact office on a central level and contact persons in the Regional Directorates.

FURTHER TRAINING

Structural change in the labour market, increasing shortages of skilled workers and the digitalisation as now accelerated by the pandemic pose extensive challenges for the labour market. Promoting further training is, meanwhile, an important labour market policy instrument for effectively supporting the clearing processes in the labour market. Of vital importance in this is the post-hoc acquisition of vocational qualifications, where a legal right to funding has been introduced.

FURTHER VOCATIONAL TRAINING IMPROVES THE OPPORTUNITIES IN THE LABOUR MARKET

188,100 unemployment insurance clients (female share: 46 per cent) took up further vocational training in 2021, 29,400 of them with the objective of gaining vocational qualifications (female share: 49 per cent). 106,900 persons (female share: 52 per cent) were assisted on average over the course of the year.



In the remit of the jobcentres in joint institutions, 79,100 persons (female share: 40 per cent) took up further vocational training measures. This equals 39,100 participants on an annual average (female share: 45 per cent). For 10,900 persons (female share: 44 per cent), the further training was aimed at a vocational qualification, including the acquisition of vocational qualifications in part-time, especially amongst those returning to their careers.

Legislator expanded funding options for the further training of employees once more

The "Act for promoting further vocational training in structural change and for the further development of educational support" ("Work of Tomorrow Act") expanded the options for funding the further training of employed persons once more by enabling higher grants. The introduction of new procedural regulations served to ease access to the assistance for further training. Ever since the beginning of 2021, employers are able to file single applications for assistance for the further training of several employees with comparable training needs. Single applications can also be filed online.

In the funding of further training for the employed, 32,700 entered further vocational training measures (female share: 48 per cent) in 2021 across legal purviews (employment agencies and jobcentres in joint institutions). In the same period, companies received labour cost subsidies in the form of a wage payment grant for 26,300 employees (female share: 49 per cent).

The Employment Protection Act provided new arrangements for assisting further vocational training in short-time work. This is linked with the intention of providing further incentives to use periods of short-time work for qualification. Besides 50 per cent of the social security contributions, employers are also refunded flat-rate training costs for the times of employees taking part in the measure, based on the size of the business.



SOCIAL SERVICE PROVIDER DEPLOYMENT ACT (SODEG) SECURES THE CONTINUED PROVISION OF SOCIAL SERVICES

Given the continuing measures under the Infection Protection Act, activities at training providers could be subject to prohibitions of personal attendance in 2021 as well, amongst other aspects. The third extension of SODEG by the "Act on the Deployment of Institutions and Social Services to Fight the Coronavirus SARS-CoV-2 Crisis in Combination with a Service Guarantee" enabled the survival of social service providers and institutions (i.e. education and measure providers, vocational rehabilitation institutions). SODEG regulates the deployment of social service providers in crisis management. Social service providers are meant to support the crisis management with the capacities available to them (e.g. premises, personnel, equipment). They are required to actively offer their services to local authorities and/or local coordination units and/or crisis units of the districts and independent towns they are respec-

tively based in. In return, funding bodies like the employment agencies and jobcentres in joint institutions are enabled to provide the social service providers and institutions with continued payments, if the conditions are met, to secure their survival (service guarantee). The employment agencies paid out € 23.28 million euro for this to 676 applicants in the year 2021, the jobcentres in joint institutions € 39.56 million to 834 applicants.

Besides the service guarantee, the first refunding processes (final accounts) for the grant period from 16 March to 31 December 2020 were performed from April 2021. The final accounts can lead to back payments to or clawbacks by social service providers, depending on the amount of the primary funds actually received in the accounting period (such as income from performed measures or short-time working allowance).



NEW SEARCH PORTAL INTRODUCED FOR FURTHER TRAINING

The technologically outdated KURSNET FINDEN portal site was replaced on 31 December 2021. The new online services for further education and training are available at <http://www.arbeitsagentur.de/kursnet>.

A new online service enabling the training proposals previously shown in KURSNET FINDEN to be found is the portal "Further training. Further vocational training motivates and enthuses – for a lifetime!" (www.arbeitsagentur.de/weiterbildungssuche). It serves to research and search for regional, cross-regional and

digital vacancies in the area of further vocational training for adjustment and career development.

Alternatively, offers of further training can also be searched by way of the "Search" column in the online exploration tool New Plan (www.arbeitsagentur.de/newplan). In addition, users can find out which further trainings will help them gain suitable long-term perspectives in the "Testing" column with the help of tests relating to vocational development potentials.

INTERNATIONAL WORK

The internationalisation of the working world is growing, and faced with demographic change, the acquisition of skilled workers from other countries is also increasingly gaining in importance besides a better utilisation of domestic potentials.

EXPANDING THE RECRUITMENT OF SKILLED WORKERS IN NON-EU COUNTRIES

Germany needs more immigration from third countries in the medium to long term, especially also by skilled workers from non-EU countries. The Skilled Labour Immigration Act has been providing a new legal basis for this since March 2020.

HIGH DEMAND FOR SKILLED LABOUR DESPITE CORONA PANDEMIC

It is emerging, despite the corona crisis, that the demand for skilled labour remains high in a variety of professions and cannot be covered by domestic skilled workers. Particularly affected are professions in the health/care, construction, metal/electro, transport/logistics and IT industries, for example.

The BA has, therefore – besides the cooperation in higher-level international fields of work – also pursued the targeted recruitment of skilled workers in the EU and non-EU countries in 2021.

In connection with the immigration of labour and skilled workers, the BA is particularly also responsible for the approval of non-EU immigrants' residence permits with regard to taking up work (labour market admission process).

In the year 2019, i.e. before the outbreak of the pandemic, 285,000 approvals were granted. This figure fell to 189,000 approvals in 2020 due to the pandemic. With 217,000, the total number of approvals exceeded the previous year's value in 2021.

The international work of the BA continued to be particularly seriously hampered by the travel restrictions and still unclear repercussions for the partner administrations and labour markets in non-EU countries.

In a European context, the focus was on intensifying the cooperation between the European labour administrations in overcoming the consequences of the crisis, on the implementation of the European Youth Guarantee, and on ensuring fair migration, also for seasonal workers and employees on work contracts.

BROAD SERVICE RANGE ESTABLISHED FOR PERSONS INTERESTED IN IMMIGRATION

The targeted recruitment of skilled workers, training and qualification projects were important building blocks in the BA's international task portfolio.

Recognition guidance for skilled workers from abroad as a key to the German labour market

The Central Service Centre for Professional Recognition (ZSBA) has been attached to the International and Specialised Services (ZAV) since February 2020 as a pilot project. Skilled workers living abroad are provided with individual, institutional, free and neutral guidance and support in the recognition procedures in many languages. Besides the guidance in the run-up to the application, the ZSBA also contributes to relieving the competent recognition bodies. The service centre will be funded by the Federal Ministry for Education and Research until 31 December 2023 and is operated in cooperation with the Federal Ministry of Labour and Social Affairs. Despite the repercussions of the pandemic, the service is enjoying constantly growing demand, enabling the ZSBA to provide 6,700 initial and 12,500 follow-up guidance sessions in the first 22 months of its existence already, and to support over 6,600 skilled workers. The ZSBA has simultaneously integrated itself in the existing structures and built up a broad network at home and abroad. The skilled labour potential generated



VIRTUAL WELCOME CENTER (VWC)

approx.

122,000

contact requests reached the VWC in 2021 altogether.

They were made up as follows



57,000

on the telephone



48,000

by e-mail



10,000

through personal contact
and/or (online) events



7,000

by text or video chat

45

online workshops
were held.

The Virtual Welcome Center (VWC) is operated by the BA's International and Specialised Services. It is the first port of call for persons interested in immigrating and for all questions about living and working in Germany, offering information on current employment opportunities in the occupations enquired about. Digital formats such as online workshops and European Online Job Days are becoming increasingly popular amongst interested parties abroad and play a special role in establishing contacts and acquiring candidates.

this way contributes to securing the skilled labour base in Germany and can be regarded as a first great success of the Skilled Labour Immigration Act.

In cooperation with the Federal Office for Migration and Refugees, the Virtual Welcome Centre (VWC) operates the hotline "Living and working in Germany", which is anchored in the online portal **www.make-it-in-germany.com**, amongst other places. In the implementation of EU requirements for consistent access to authority information (single digital gateway), this platform has also turned into a contact point for EU workers interested in Germany. Make-it-in-Germany averaged 528,000 visitors a month in 2021.

In its regional cooperations with the "Integration through Qualification" network, the BA most of all supports employers and authorities in the recruitment, integration and retention of foreign workers and skilled workers, in concert with other labour market actors – besides the skilled workers themselves.

IMPROVING THE BASIS FOR TARGETED RECRUITMENT OF SKILLED WORKERS FROM NON-EU COUNTRIES

Based on the new

- BA requirements analysis for recruitment abroad published for the first time in the summer of 2019, and the
- potentials analysis started the same year to identify suitable partner countries,

new projects and the conclusion of placement agreements for the targeted recruitment of skilled workers were explored with interested third countries. The requirements analysis for target professions of the recruitment abroad for the German labour market will be updated as soon as the end of the crisis is in sight. The BA's four-stage potentials analysis served to identify the so far twelve partner countries with particularly high potentials for its active recruitment of skilled workers: Brazil, Bosnia-Herzegovina, Co-



lombia, Egypt, India, Indonesia, Jordan, Morocco, Mexico, Philippines, Tunisia and Vietnam. Networks and recruitment projects for these will be successively developed and/or expanded now.

The corona pandemic also set the speed and nature of the further approach in 2021. There was a stronger emphasis on a virtual addressing of and coordination with partners and multipliers in the country of origin, for example. The further development of the online marketing and switch to online recruitment in ongoing projects ensured that target groups could still be reached. The VWC's online workshops, which had already found great acceptance in the past, were expanded thematically (e.g. for returnees) and provided at a greater frequency. The recruitment projects initiated in 2020 in non-EU countries for the recruitment of skilled workers were additionally continued in cooperation with central partners in Germany, e.g. the Association of German Chambers of Industry and Commerce (DIHK) and the German Confederation of Skilled Crafts (ZDH).

Concrete recruitment projects in non-EU countries allowed the heretofore theoretical findings from the analysis of potential concerning the recognisability of professional qualifications to be augmented by practical experience. Especially these findings form a central basis for entering into placement agreements. Four placement agreements could thus be concluded this year with the countries India (State of Kerala) and Indonesia (both for skilled nurses), Mexico (skilled nurses, chefs) and Columbia (electrical occupations, gardeners).

In addition, the BA signed two framework cooperation agreements with Jordan and Mexico for expanding the bilateral teamwork relating to labour migration and knowledge transfer, and entered into a new placement agreement with the Republic of Moldova for seasonal farmworkers.

The BA has been cooperating with the German Society for International Cooperation (GIZ) in various subject areas for many years already. The services and proposals of both institutions in the area of labour migration are to be dovetailed even more closely in the future. The foundations for this were elaborated in 2021. The objective resides in being able to provide partner countries with a comprehensive offer for various aspects of labour migration. The BA can thus make a major contribution to the recruitment of skilled labour for Germany in cooperation with its partners.

To address the demand for seasonal workers in agriculture, the BA established contacts with partner administrations in the Western Balkans, Ukraine and Georgia in coordination with the Federal Ministry of Labour and Social Affairs. The operative implementation could be started with Georgia for the 2021 harvesting season upon the conclusion of a first agreement for the placement of harvest workers. An agreement for seasonal employment as per § 15a of the Employment Regulation was similarly concluded with the Republic of Moldova in July 2021. The implementation with Moldova is scheduled to start for the 2022 harvesting season.

EUROPEAN COOPERATION REMAINS A FOCUS AREA

The BA has also sought and maintained a close exchange with its partners in the network of European Public Employment Services (PES network) by way of the European Representation in 2021, the second year of the pandemic. A variety of digital events hosted intensive exchanges about the implications for public labour market service providers, as well as their services and benefits.

In 2021, this also involved the organisation of a three-day virtual assessment event as part of the bench learning initiative established in the PES network, where the organisation and business policy activities of the BA were intensively evaluated by experts from other public labour market services, as well as the EU Commission. In parallel to the BA, the assessments will also be held in all the other European public labour market services by September 2022. The findings from this serve as a basis for mutual learning in the PES network and for improving the service quality.

Over and beyond this, a new strategy for the PES network was coordinated with the network partners, along with a positioning vis-a-vis the European Commission's so-called Green Deal and its effects on public labour market services. The BA Board of Governors was also involved in the preparation of this.

The most important European policy developments for the BA in 2021 included the now fully completed exit of the United Kingdom from the EU, coming into force of the multi-year financial framework and NextGenerationEU recovery package (including its financial instruments, e.g. in the cohesion policy), the intensification of the implementation

of the European Pillar of Social Rights, and the concluded Blue Card reform intended to further ease the immigration of highly qualified, skilled workers.

The EU Commission has additionally presented its new strategy for 2021–2030 for people with disabilities, which requires the implementation of the UN Convention on the Rights of Persons with Disabilities to be continued over the next ten years. The various areas of activity (EU rights, independent living and autonomy, as well as non-discrimination and equal opportunities) also address labour market, training and social policy aspects.

EURES (EUROPEAN EMPLOYMENT SERVICES) NCO (NATIONAL COORDINATION OFFICE) DRIVES EU-WIDE RECRUITMENT OF WORKERS



EURES is the European network of all labour market actors in the 27 member states as well as

Iceland, Norway, Liechtenstein and Switzerland. Besides access to information, guidance and placement, EURES also enables a high transparency of the European job and applicant market for companies, employees and trainees.

The EURES Regulation 2016/589 defines the structure and cooperation between the EURES networks of the member states. 2021 saw the admission of a new EURES partner in Germany. The German EURES network (200 EURES employees) now includes thirteen labour market institutions (social institutions, private placement service providers and education providers) as well as the BA.

Corona caused the need for guidance to grow on the applicant side while reducing the employers' willingness to hire. Despite the pandemic-related restrictions, projects could still be primarily implemented in the segments of care, education, physiotherapy, construction, and the hospitality industry, largely with applicants from Southern Europe.

Around 89,000 employees and ca. 13,000 employers were provided with guidance in 2020. Approximately 3,100 integrations could be achieved in 2020 altogether, including 2,500 skilled workers for Germany. (The EURES results for 2021 were not yet available by the editorial deadline of the annual report.)

The far-reaching repercussions of the corona pandemic and attendant emigration and immigration restrictions placed inner-European mobility, the right of free movement and the themes of fair mobility and fair employment at the top of the European agenda. The German EURES NCO has in this sense particularly applied special measures in cooperation with the EURES NCOs of the main countries of origin (South-Eastern Europe) to enhance the guidance and information before the immigration to Germany. Over and beyond which the information provided to persons willing to migrate was expanded at www.arbeitsagentur.de (Romanian, Polish, Bulgarian, German, English). The NCO ensures that the BA can dispose over EU ("Targeted Mobility Scheme" – TMS) grants to support the migration to Germany. With the NOCO's successful application for a further TMS project in 2021, 1,440 persons could be supported and 902 already integrated in work so far in the period from January to September 2021. The outlay for this amounted to ca. € 2.66 million. (The results for the full year were not yet available by the editorial deadline of the annual report.)

BA commissioned as National Euroguidance Centre again



Euroguidance is the European network for vocational guidance experts with information centres in over 30 countries and promotes cross-border training and guidance cooperation in Europe. As part of the new funding period for Erasmus+, the Federal Ministry of Education and Research (BMBF) has commissioned the BA as National Euroguidance Centre again.

The year 2021 thus marked the start of the new Euroguidance work programme (04/2021–03/2024) as well as the conclusion of the last Euroguidance funding phase (01/2018–03/2021). Over the entire funding period, nearly 600 guidance experts received further training relating to European mobility and guidance themes. They then applied their new knowledge in ca. 19,000 guidance and information sessions about learning proposals and teaching stays abroad. In addition, the guidance experts of the International and Specialised Services informed ca. 6,000 foreign pupils on the education and employment system in Germany in individual consultations, group and parent events. The (German and English) brochure "Training and Study in Germany" has been completed in an edition of 5,000. The brochure was distributed in the Euroguidance and EURES networks, at the national network partners, and in the careers information centres.



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Over the entire funding period, nearly 600 guidance experts received further training relating to European mobility and guidance themes.

CASH BENEFITS

3.40^m

employees received short-time working allowance in February 2021

€ 20.22^{bn}

were spent on cyclical short-time working allowance
including social security contribution refunds

€ 19.41^{bn}

were spent on unemployment benefit payments
including social security contributions



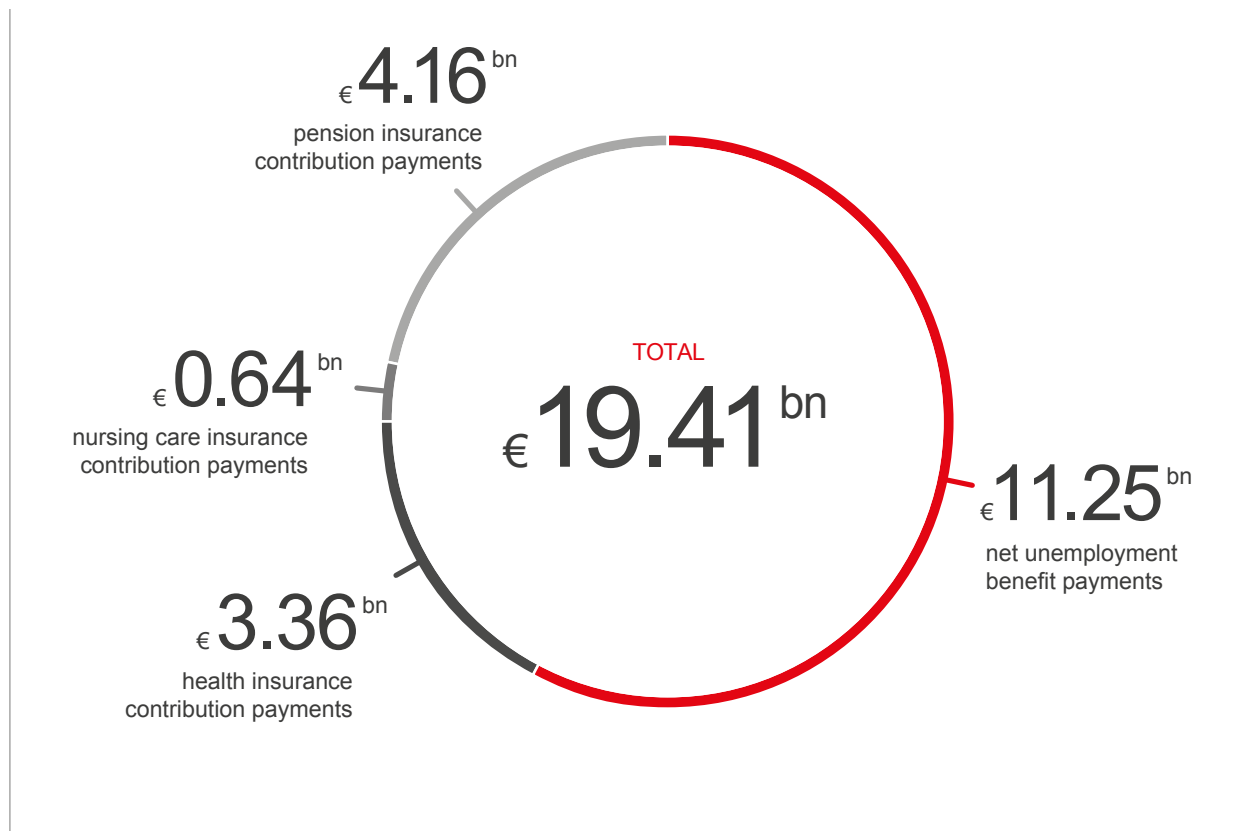
UNEMPLOYMENT BENEFIT, SHORT-TIME WORKING ALLOWANCE AND INSOLVENCY PAYMENTS

UNEMPLOYMENT BENEFIT

Unemployed persons may be entitled to the insurance cover of unemployment benefit under specific conditions, e.g. upon the expiry of a qualifying period. Persons undergoing further vocational training may also be able to meet the entitlement requirements for the payment of unemployment benefit.

Employees outside the European Union (EU), self-employed persons, parents and persons furthering their education and training can opt for mandatory unemployment insurance by request. Periods of mandatory unemployment insurance by request establish an entitlement to unemployment benefit.

EXPENDITURE FOR UNEMPLOYMENT BENEFIT



Source: Federal Employment Agency

PROCESS AUTOMATION FACILITATES BETTER PROVISION OF UNEMPLOYMENT BENEFITS

The BA banks on process automation to improve its handling of the core business of providing unemployment benefit. Around 800,500 of the over 1.09 million applications received online could be reviewed automatically in the year 2021. With a qualified confirmation of receipt, provision of the latest information on the application's processing status in the "Cash Benefits" e-service, and a reminder function for documents still needing to be submitted, the process automation makes for greater transparency, i.e. directly tangible benefits for the clients. Ever since 30 July 2021, the requirements for claims are also reviewed automatically. This expansion is not directly tangible for clients, but contributes to enabling fast and dependable claims decisions, especially when there are many applications, and to an earlier securing of clients' livelihoods.

ELECTRONIC REGISTRATION AS UNEMPLOYED ENABLED

Clients could heretofore only register as unemployed in person – discounting exemptions. This was increasingly irreconcilable with an ever more digital world and the BA's claims as a modern service provider.

An important legal change for this came into effect on 1 January 2021: Electronic registration is now also permitted in addition to the personal registration as unemployed. One essential requirement for this is the legally watertight identification of clients. The preparations in 2021 went all out to realise a functional, legally watertight and attractive client service in time for the new year. This also involved the overcoming of legal and procedural problems, besides the technical IT challenge.

The online registration as unemployed is a further step towards a fully digital unemployment benefit process without media breaks. The changes should, at the very least, further promote the acceptance of the BA's other e-services. Even if they registered as unemployed online, a personal guidance and placement meeting with the clients is meant to follow without delay.

SHORT-TIME WORKING ALLOWANCE

If out of work temporarily, employees can receive short-time working allowances to partly compensate their loss of earnings. This is aimed at preventing their dismissal, and thus avoiding job losses. Employers will consequently be able to immediately rely on their ready-trained workers again once the order situation improves.

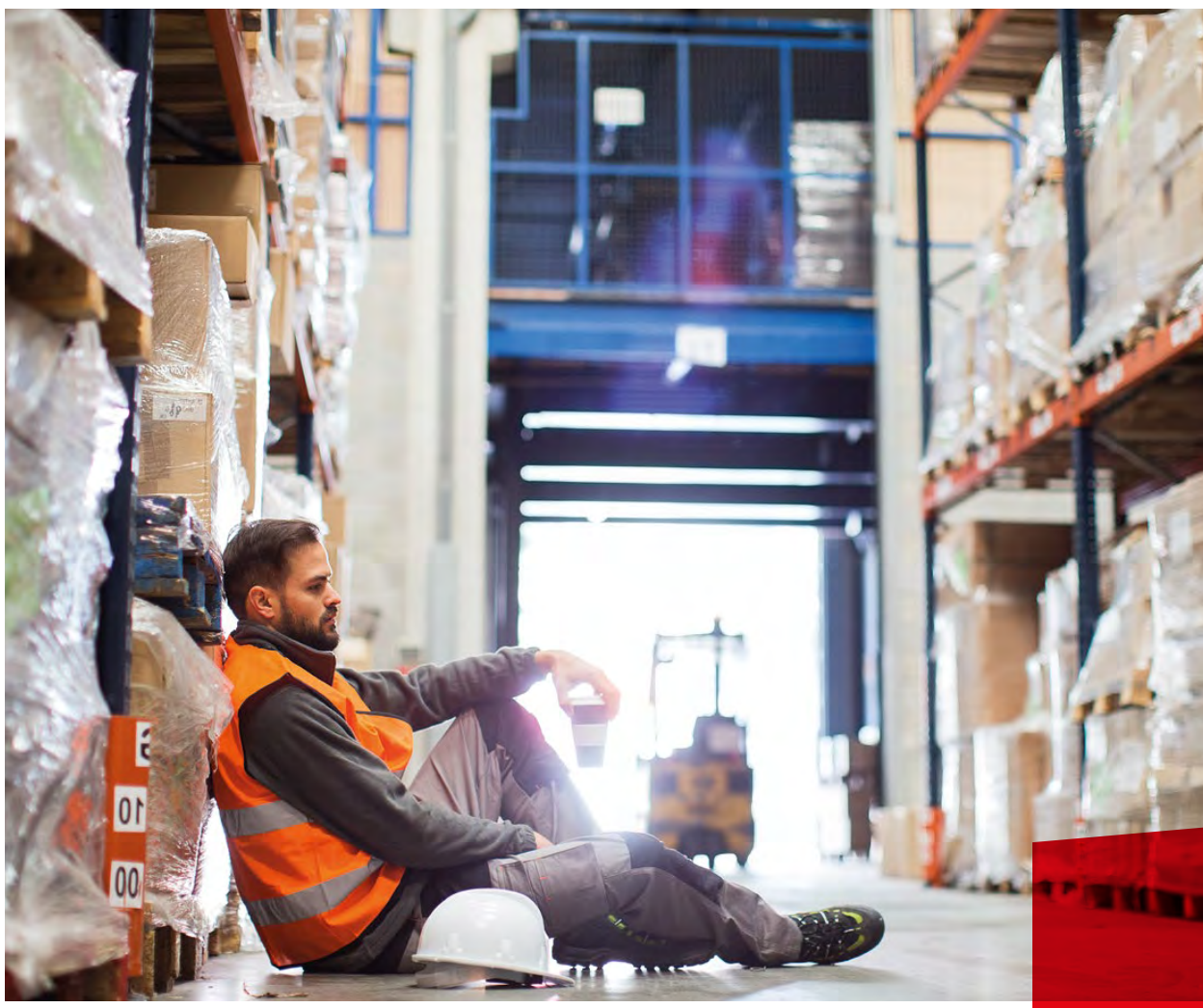
SPECIAL PANDEMIC-RELATED ARRANGEMENTS REALISED FOR SHORT-TIME WORKING ALLOWANCE IN 2021 AS WELL

The special arrangements for the short-time working allowance have proven themselves as an effective instrument for securing jobs in the pandemic. The long duration of the pandemic and attendant restrictions of their economic activities place a great financial burden on businesses. To support them, the easier access was extended until 31 March 2022, and a 50 per cent relief enabled in the social security contributions from 1 January 2022. In addition to which the extension also helped companies directly or indirectly affected by the flood disaster in some regions in mid-July 2021 – partly on top of the pandemic.

The short-time working allowance of all employees whose claim had arisen by 31 March 2021 was raised until 31 December 2021 (to 70/77 per cent from the fourth month and 80/87 per cent from the seventh). The claim to the higher allowances is extended for the months January to March 2022 and also expanded to employees who went on short time for the first time since April 2021. Income from marginal employment taken up during the short-time work continued not to be set off against the short-time working allowance until the end of March 2022.

€ **20.22**^{bn}

Short-time working allowance payments for cyclical reasons, including social security contribution refunds, amounted to



Short-time work was indicated for a sum total of 249,500 million companies and/or divisions and 2.97 million employees. The BA paid out € 12.12 billion of short-time working allowance for employees. This was supplemented by a social security contribution refund to employers of € 8.10 billion.

The number of short-time claims has reached an incomparably high in this crisis. April 2020 – the most affected month – thus counted just under six million short-time workers. Despite the high case numbers, the BA's services must be provided in accordance with the law. The BA has installed corresponding quality assurance measures for this.

It is to be emphasised that benefit fraud and/or attempted benefit fraud was only provided in isolated cases. The BA ensured the legally compliant provision of payments with

a broad prevention-oriented package of measures. This helped to uncover suspicious cases before an actual loss occurred.

The joint nationwide Task Force established in October 2020 continued and intensified its work in the year 2021. This is aimed at a coordinated approach to cross-regional conspicuities, as well as a direct information exchange.

One key tool in the quality assurance and/or prevention and detection of processing errors encouraging benefit fraud are sample audits in the ongoing processing on all levels (head office, Regional Directorates, Operative Services) and a review of concluded final audits by the Regional Directorates, also in random samples. The systematic evaluation of quality assurance findings and monitoring of applied measures ensure a high processing quality.

BENEFIT PROVISION REMAINS STABLE THANKS TO CENTRAL SUPPORT

The continuing repercussions of the pandemic for the labour market also kept the numbers of businesses affected by short-time work and claimants of short-time working allowance on a high level in the year 2021. The so-called "virtual Operative Service", a central unit established in spring 2020 to support the Operative Services' claims processing, was therefore continued. Staff from all the BA's offices have generally continued to energetically contribute to ameliorating the impact of the pandemic on the labour market, businesses, the employed and unemployed.

Support guaranteed by solidarity

Up to 1,200 employee's of the BA's central offices and – in an administrative assistance framework – other institutions such as the Federal Office for Migration and Refugees, Deutsche Post and Deutsche Bahn supported the service teams in the offices. The voluntary commitment of the external employees and the recruitment of new ones made sure that short-time working allowances were also paid out punctually in 2021, and processing times kept short. The expert knowledge acquired by way of qualifications and the onboarding was further developed, thus reaching a notably high professional level.

Despite the continued high number of benefit applications, every business, and thus every claimant, was also quickly and reliably provided with the benefits they were entitled to this year. In addition to which the liquidity risks of companies were reduced, in turn securing the livelihoods of many employees.

CHANGED FRAMEWORK CONDITIONS CALL FOR FLEXIBILITY

The central support service was repeatedly adjusted in the course of the year as employees were mandatorily required for their original tasks. The Federal Office for Migration and Refugees was thus forced to end its support in September. This was responded to quickly and flexibly, so that the performance in the claims processing was not impaired. The employees in the virtual operative service will return to their original organisational units as soon as possible to see to their temporarily reprioritised original tasks there.

The flexibility and lived solidarity of the BA's employees vitally contributed to mastering the pandemic's impact on the labour market.

SEASONAL SHORT-TIME WORKING ALLOWANCE

Construction company staff unable to work in the bad-weather period because of the weather or for lack of orders can be paid short-time working allowance.

The seasonal short-time working allowance and supplementary services ensure that employees in the construction industry need not be made redundant due to a seasonal lack of work in the bad-weather period.

From the bad-weather period 2021/2022, that period will also start in December for businesses in the scaffolding trade. This means that the scaffolding trade, construction



EXPENDITURE FOR SEASONAL SHORT-TIME WORKING ALLOWANCE FOR BUSINESSES IN THE CONSTRUCTION INDUSTRY

In the months January to March 2021, seasonal short-time working allowance was paid to 293.800 persons.

418,78

million euro were paid out for this contribution-financed service in 2021 altogether.

The pay-as-you-go payments for winter allowance for additional expenses, winter allowance grants and refunding social security contributions to employers amounted to

154,04

million euro.



industry, roofing trade, horticulture and landscaping all come under the same bad-weather period from December to March now.

TRANSFER SHORT-TIME WORKING ALLOWANCE

In company restructurings attended by job cuts, the transfer short-time working allowance enables the transfer of affected employees from their existing jobs with the former employer to their new jobs at other employers to be cushioned without intermittent unemployment.

HIGHER EXPENDITURES FOR TRANSFER PAYMENTS TOO

The BA supports businesses forced into staff cuts by operational changes by the provision of transfer payments.

The transfer services (transfer measures and transfer short-time working allowance) were in greater demand in 2021 than in the previous year. The expenditure for transfer services have grown from € 207.69 to 364.45 million in the comparison period.

INSOLVENCY PAYMENTS

If the requirements are met, completely or partly lost wages will be paid for a period of up to three months by way of insolvency payments. One essential requirement is a substantiation of the employer's illiquidity in the form of an insolvency event. Besides unpaid wage claims, the BA will also cover all unpaid social security contributions for up to three months.



EXPENDITURE FOR INSOLVENCY PAYMENTS

492.62 million euro were paid out in insolvency payments and social security contributions in 2021 altogether.

103,800 applications were made and

82,700
of them approved.

FEWER APPLICATIONS FOR INSOLVENCY PAYMENTS DESPITE THE PANDEMIC

Just as in 2020, the number of company insolvencies also declined further in 2021 despite the corona pandemic. This should primarily be attributable to the effect of further legislative measures (emergency assistance, special programmes, temporary special arrangements in the short-time working allowance), and the suspension until 30 April 2021 of the need to file for insolvency by the Covid-19 Insolvency Suspension Act.

103,800 applications for insolvency payments were filed overall. With 46,900, the number of employees' applications for insolvency payments was lower than in 2020 (77,900 applications). The expenditures for insolvency payments and social security contributions were substantially below the previous year's with € 492.62 million.

BASIC INCOME SUPPORT FOR JOB-SEEKERS

BASIC INCOME SUPPORT PAYMENTS FOR JOB-SEEKERS

Citizens in need of assistance are supported in sustaining their livelihoods by a broad spectrum of continuous and one-time benefits.

Claimants receive as regular benefits:

- Unemployment benefit II for persons who are fit for work and/or income support for persons who are unfit for work and children in a household in need of assistance (benefits for regular and individual additional requirements, as well as local authority payments for accommodation and heating),
- Contributions and subsidies for health and nursing care insurance,
- Local authority benefits for education and participation

Possible one-time benefits can inter alia include:

- Local authority allowances for the initial furnishing of apartments and initial provision of clothing for pregnancy and childbirth,
- Allowances for the purchase and repair of orthopaedic shoes as well as the hire and repair of therapeutic equipment.

EASIER ACCESS TO LIVELIHOOD MAINTENANCE BENEFITS CONTINUED – ALSO FOR THE SELF-EMPLOYED AND ARTISTS

The easy-access rules for the basic income support for job-seekers were extended until 31 March 2022. This way the easy access to livelihood maintenance benefits could be continued over and beyond 2021 – also for self-employed persons and artists.

ALLEGRO – AUTOMATED PAYMENTS SUCCESSFULLY IMPLEMENTED

The pandemic-related one-time payments introduced by the legislator – € 150 in May 2021 for adults and € 100 for underage Social Code II claimants in August – were largely approved, announced and made in an automated fashion. In the end, these one-time payments were automated for 3.84 million people altogether, and processed by the jobcentres in joint institutions without effort. This makes for an automation level of over 90 per cent.

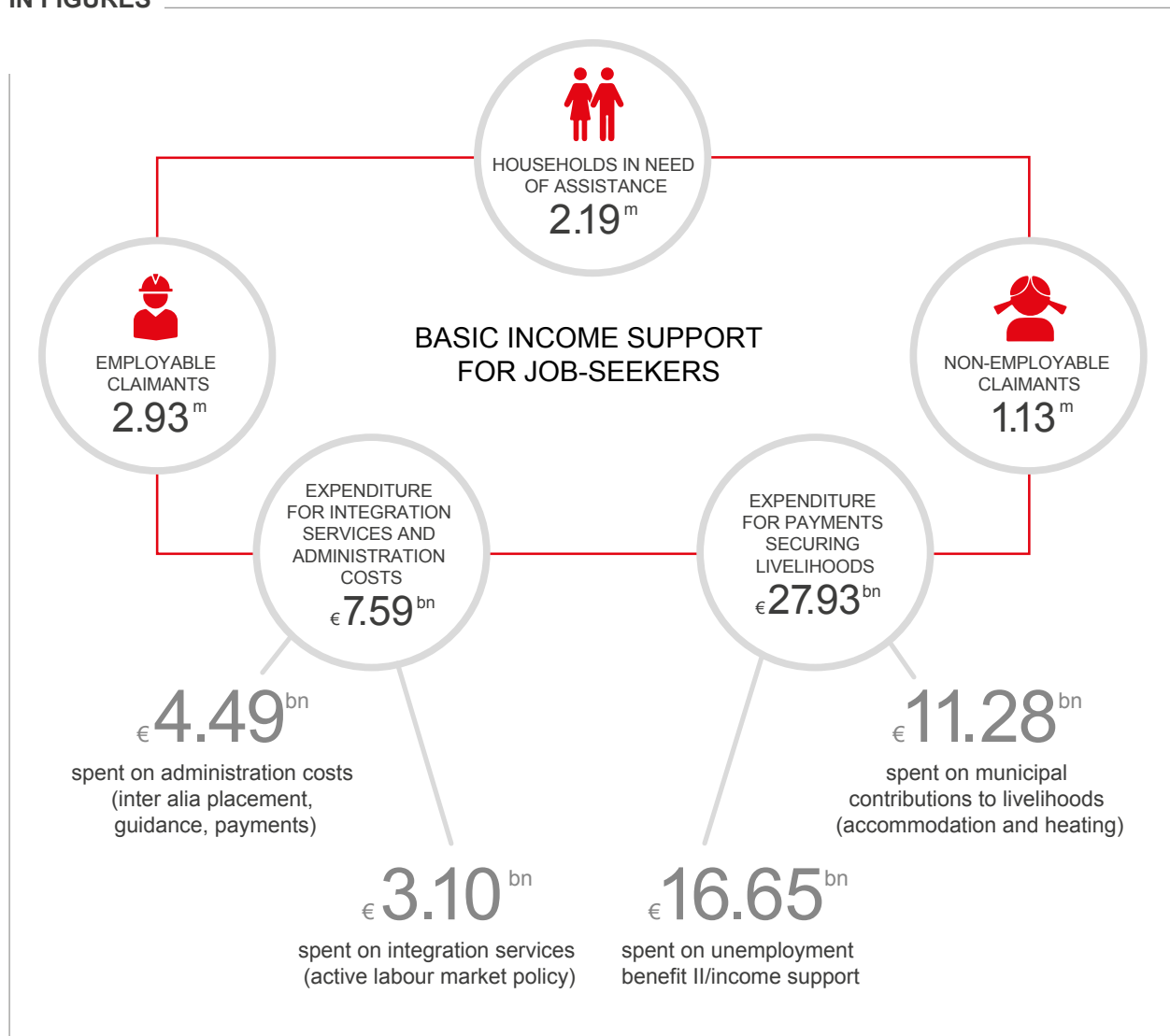


ONLINE APPOINTMENT MANAGEMENT PROVIDED FOR JOBCENTRES IN JOINT INSTITUTIONS

Given the corona-related closures, clients had to be quickly provided with alternative access and communication channels for making and keeping appointments. A basic solution for this was developed and made available to the jobcentres in joint institutions for optional use from July 2021. The service enables clients to book appointments for their specific issues online. The jobcentres in joint institutions can simultaneously apply individual configurations reflect-

ing their specific requirements for the issues, communication channels, duration of meetings, and extent of the bookable times.

2021 BASIC INCOME SUPPORT FOR JOB-SEEKERS IN FIGURES



Source: Federal Employment Agency / (financial) data from basic income support for job-seekers (jobcentres in joint institutions)



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Becoming a modern service provider for
families in Germany and Europe with
"FamKa – from a single source!"



FAMILY BENEFITS OFFICE

TASKS OF THE FAMILY BENEFITS OFFICE (FAMKA)

The BA's Family Benefits Office confronted the special challenges of the pandemic in the year 2021 as well. Besides its original mission – the payment of child benefit and child allowance – it once again took on the task of making the Federal Government's special payments to families and children in Germany, this time in the form of another child bonus and additionally agreed child recreation bonus. The premise of the Family Benefits Office and its ca. 5,000 staff in this was to provide a modern, efficient service, and to quickly and effectively support families this way. This was reflected in the various activities of the year 2021, which were and are strongly influenced by the recently updated development programme "FamKa – from a single source!".

PANDEMIC-RELATED SPECIAL CHILD BONUS 2021 AND CHILD RECREATION BONUS PAID OUT

In the wake of the continuing pandemic, the Family Benefits Office has paid out system-relevant special payments to support families and children again. The Third Corona Tax Relief Act also provided a child bonus for all children entitled to child benefit in 2021, as in the previous year. Families benefited from this in the form of a one-time payment of 150 euros. The Family Benefits Office successfully handled the payment of the 2021 child bonus to 10.60 million entitled parties with 17.50 million children. € 2.62 billion were paid out in the process altogether.

Another special pandemic-related benefit in 2021 was the child recreation bonus, part of the Federal Government's action programme "Catching up after corona for children and adolescents". This one-time payment of 100 euros was specifically intended to permit minors and youths from deserving and low-income families the pursuit of recreational and leisure activities, and to catch up on what they missed out on. In this respect, the Family Benefits Office was responsible for the payment of the child recreation bonus to all families entitled to child allowance for their children, housing benefit, or income support as per Social Code XII in August 2021. The total payment volume amounted to € 75.70 million.

All pandemic payments so far were largely provided unprompted. In cases where the child recreation bonus had to be applied for (e.g. with claimants of housing benefit or income support), the Family Benefits Office avoided complicated bureaucratic processes and enabled informal applications.

DEVELOPMENT PROGRAMME "FAMKA – FROM A SINGLE SOURCE!" UPDATED

The Family Benefits Office updated its development programme in 2021 and therewith defined its strategic roadmap for the coming years. With "FamKa – from a single source!", it is moving toward a modern service provider in many different action areas for families in Germany and Europe. Ambitious initiatives like the expansion of local and regional networks, enhancement of the online channel or introduction of a quality management system meanwhile take a positive

and sustained effect on the work and performance of the Family Benefits Office – true to its mission statement "We help families".

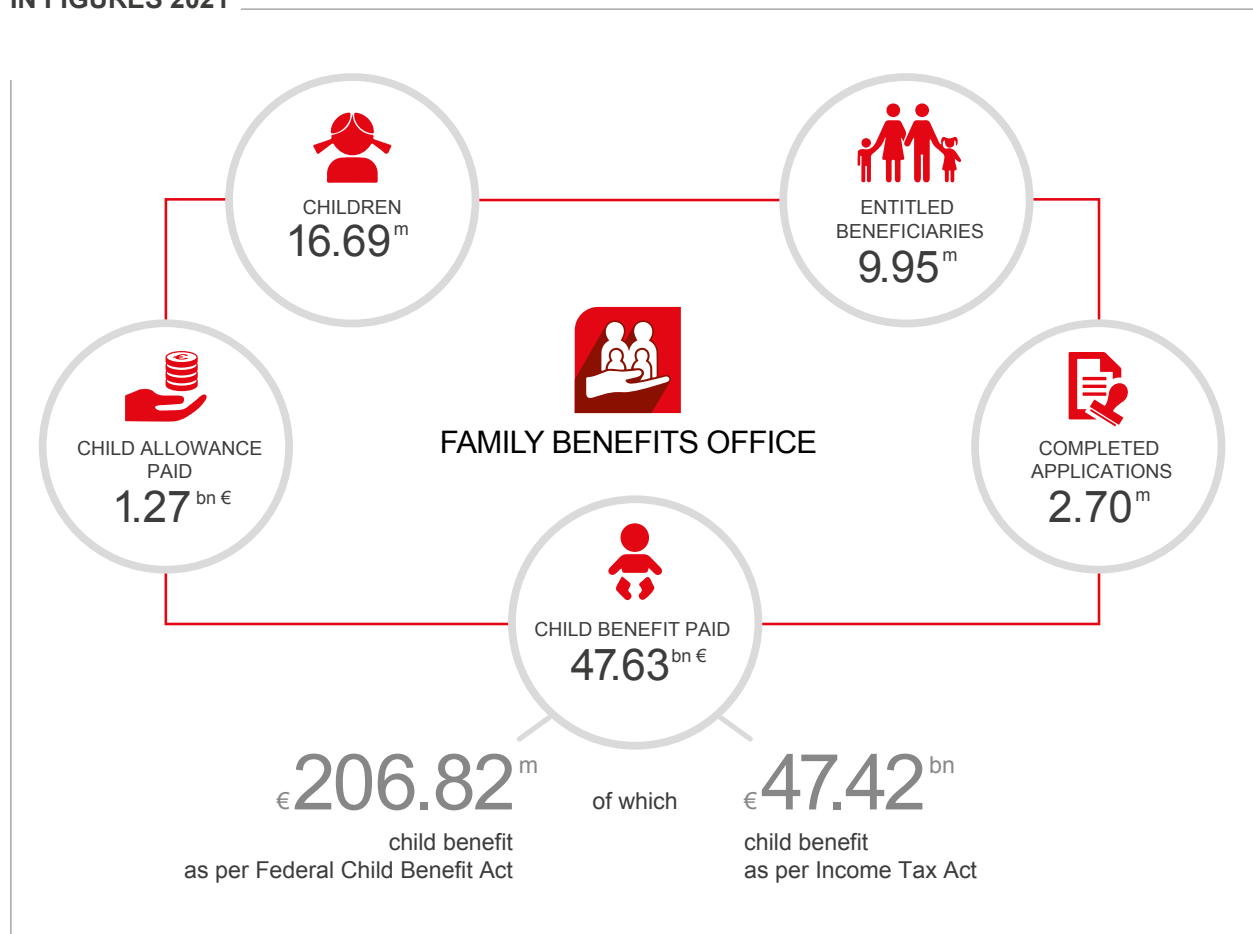
Local and regional "Family services from a single source" networks expanded

In the area of networking, local and cross-regional progress could be made in the cooperation at existing networks despite the continuing corona pandemic. New networks and cooperations could also be established and are to be found in Munich, Hamburg and Ingolstadt, for example. The networking is aimed at helping families concretely and practically in situ by easier local access to the various family policy services.

Digital application expanded

The "Online portal for FamKa proposals and services" (OPAL) project has consistently further expanded the digi-

THE FAMILY BENEFITS OFFICE IN FIGURES 2021



Source: Federal Employment Agency

tal services of the Family Benefits Office. The online application for child allowance was supplemented by a simple short application for use in unchanged life situations. With over 411,000 online applications in 2021 and 28,599 ratings averaging 4.9 of 5.0 possible stars, the online application is very positively received – and the online use has grown to ca. 60 per cent. The use of video communication for guidance sessions was significantly eased for clients by the online appointment service on the Family Benefit Office's internet portal. Especially outside office hours, this ensured the continued availability of attractive dialogues for guidance and information relating to the complex family service of child allowance.

The services in the Family Benefit Office's online portal were additionally expanded by a digital assistant that answers questions about the child benefit and child allowance, and was used 16,000 times a month on average in 2021. The digital assistant can answer many questions immediately and comprehensively, or navigate clients to the right place on the website of the BA's Family Benefits Office.

Integrated quality management system (QMS) introduced

The Family Benefits Office has been rolling out an integrated QMS based on the European Foundation for Quality Management model since 2020. This is aimed at further improving the Family Benefits Office's qualitative handling of its tasks for families, developing excellence insofar as possible. The first self-assessment has already taken place in regional Family Benefits Offices and the Directorate, with all the regional Family Benefits Offices to have completed a self-assessment by the end of 2020. The Family Benefits Office has been a partner in the BA's EFQM network right from the start.

IMPLEMENTATION OF THE FAMILY BENEFITS OFFICE REFORM ("SINGLE COLUMN MODEL") MAKES FURTHER PROGRESS

Before the end of 2016, all public service authorities on a federal, Länder or municipal level and institutions and foundations under public law were responsible for paying their employees' child benefits on their own authority. The "Act ending the special responsibility of the public service's Family Benefits Offices" initiated a structural reform in Germany on 1 January 2017 to reduce the extensive administrative

effort. This act provided the institutions with the option of leaving their child benefit processing to the BA Family Benefits Office free of charge.

After the act's entry into force, the BA Family Benefits Office contacted all the institutions coming into question (19,100 authorities with more than 2.44 million children). Over 18,400 institutions with approx. 2.14 million children have signalled their willingness to hand over the child benefit processing to the BA's Family Benefits Office so far. Over 17,200 institutions with 1.58 million children have already transferred their processing. This concerned 398,000 children in 2021.

Taking the final step towards the so-called "single-column model" requires a second reform stage in whose respect the BA has already suggested legal changes.

CONGRESS HELD ON THE FIGHT AGAINST CHILD POVERTY

On 29 April 2021, the Family Benefits Office held a virtual International Congress on the Fight Against Child Poverty with around 100 attendees from Germany and 17 other EU countries, in cooperation with the European Social Insurance Platform (ESIP).

The presentations by the invited international experts from the science, management and practice highlighted various aspects of the latest research and prevention status, and reported on their local work and experiences in the concrete fight against child poverty by way of various projects throughout Europe. One essential message was that children and their parents often need professional and personal support in all areas of life, not just in financial terms. Guidance and personal help can for example be brought to bear on the participation in education, or the knowledge about social services and their utilisation.

FURTHER TASKS

1,336

new junior employees

53%

female share in executive positions

€ 57.57^{bn}

total expenditure



TARGETS

CORONA PANDEMIC PARTICULARLY AFFECTED RESULTS IN FIRST HALF OF YEAR

The development of the labour market in 2021 continued to be affected by the corona pandemic, which was reflected in the target achievement, especially in the first half of the year.

As a consequence of the pandemic containment measures in winter 2020/21, the results in the first quarter remained far below expectations across legal purviews. But as the pandemic restrictions were eased in the course of the year, bringing people and work together was more successful again. This helped the jobcentres in joint institutions reach their targets for the year 2021. The target achievement of the employment agencies was inconsistent with regard to the central parameters.

The integration-oriented targets in the area of unemployment insurance were largely achieved. After a lockdown-related weak start, the key impact metrics increasingly approached their pre-crisis level again, and thus also exceeded the previous year's results. The prevention and integration targets were just reached overall by the end of the year. Pending unemployment could be avoided for just over a quarter of the clients whose employment contracts expired. In around 43 per cent of the cases, occurred unemployment was ended again by taking up a job. Three-quarters of the clients integrated in work were also still in employment subject to mandatory social security contributions six months later. The targets in the training market could not be achieved by the end of the vocational training year on 30 September 2021. Applicants for training market vacancies and the take-up of school and vocational training were around 7 per cent down from the previous year on September 30. After a slow start in the number of persons entering measures at the start of the year, this figure exceeded the previous year's level by the third quarter, especially in the area of qualification. The pandemic containment measures in the wake of the Omicron variant melted this edge away by the end of the year, so that the entries into measures did not reach last year's result overall.

The satisfaction of the BA's clients is determined by standardised interviews as part of the performance measurement. Despite the pandemic-related restriction of their contact options still being in force initially, the clients were satisfied with the support and guidance provided by the BA. The targets were principally achieved amongst the interviewed adolescents, employees and employers.

The central aims of the basic income support for job-seekers include a reduction of the dependency on benefits, an independent maintenance of livelihoods by taking up or continuing gainful employment, the avoidance of long-term benefit receipt, and the maintenance, improvement or restoration of the earning capacity and/or employability. The corona pandemic also led to a greater reliance on benefits to cover subsistence costs in the year 2021. The number of claimants continued to rise well into the first quarter, inter alia due to more transitions from Social Code III as a consequence of the extension of the entitlement period for unemployment benefit in 2020. As the economy recovered, a growing number of employable claimants were able to end their benefit receipt again. 2.88 million people claimed benefits on average over the year, 2.2 per cent fewer than the year before.

A sum total of € 11.67 billion were spent on maintaining livelihoods, 2.5 per cent more than in the previous year. Also decisive for this besides the added corona-related demand were higher standard rates. The economic consequences of the corona pandemic most of all reduced the opportunities for taking up gainful work. The lockdown at the start of the year weakened the integration results. But a good development emerged over the course of the year, so that the integration rate ultimately reached 23.3 per cent in the end and was thus markedly improved over the previous year. The pre-crisis level could not be reached, however.

The corona crisis has had hardly any effect on the number of long-term recipients of benefits – which fell by 53,000 from the previous year, meaning that the target was reached with a deviation of –2.3 per cent.



GENDER-SPECIFIC TARGET PLANNING ANCHORED IN THE LEGAL PURVIEW OF SOCIAL CODE II

The target system in the Social Code II legal purview has been in force since 2011 and thus shows a high continuity. Various working groups are dedicating themselves to the further development of the target system since mid-2020. This, for example, involved a revision of the metrics in the new client process, and turning the familiar client contact density into the guidance activity. The new descriptions and evaluations enable a quality-oriented review of activities and successes.

To support gender equality in the labour market, gender-specific target planning is being introduced in two steps since 1 October 2021. The integration rate for 2022 will be the first to be planned, agreed and tracked in a gender-differentiated manner. In a second step, the number of long-term claimants will be planned, agreed and followed up gender-specifically for 2023. In combination with intensive communicative support, this helps to place a guidance focus on the topic.

FINANCES

ANOTHER HIGH DEFICIT IN THE SECOND YEAR OF THE CORONA CRISIS

The pandemic situation and consequences of the lockdown extending well into the first half of 2021 have had an enormous impact on the finances of the unemployment insurance. The extensive reliance on short-time working allowance, which has proven itself as an important stabilisation factor in the crisis, initially continued unchanged at the start of the year. A tangible decline of the expenditure could not be registered until the middle of the year. The provision of short-time working allowance was simplified by an easing of access requirements, but the amount and duration of the receipt of short-time working allowances were also substantially expanded.

A decline in the higher corona-related unemployment could be registered from the second quarter of 2021. The ex-

penditure amounted to € 19.41 billion, exceeding the plans by € 339.19 million.

The outflow of funds for insolvency payments remained below the previous year's value, with only € 492.62 million of the budgeted € 1.60 billion needing to be spent.

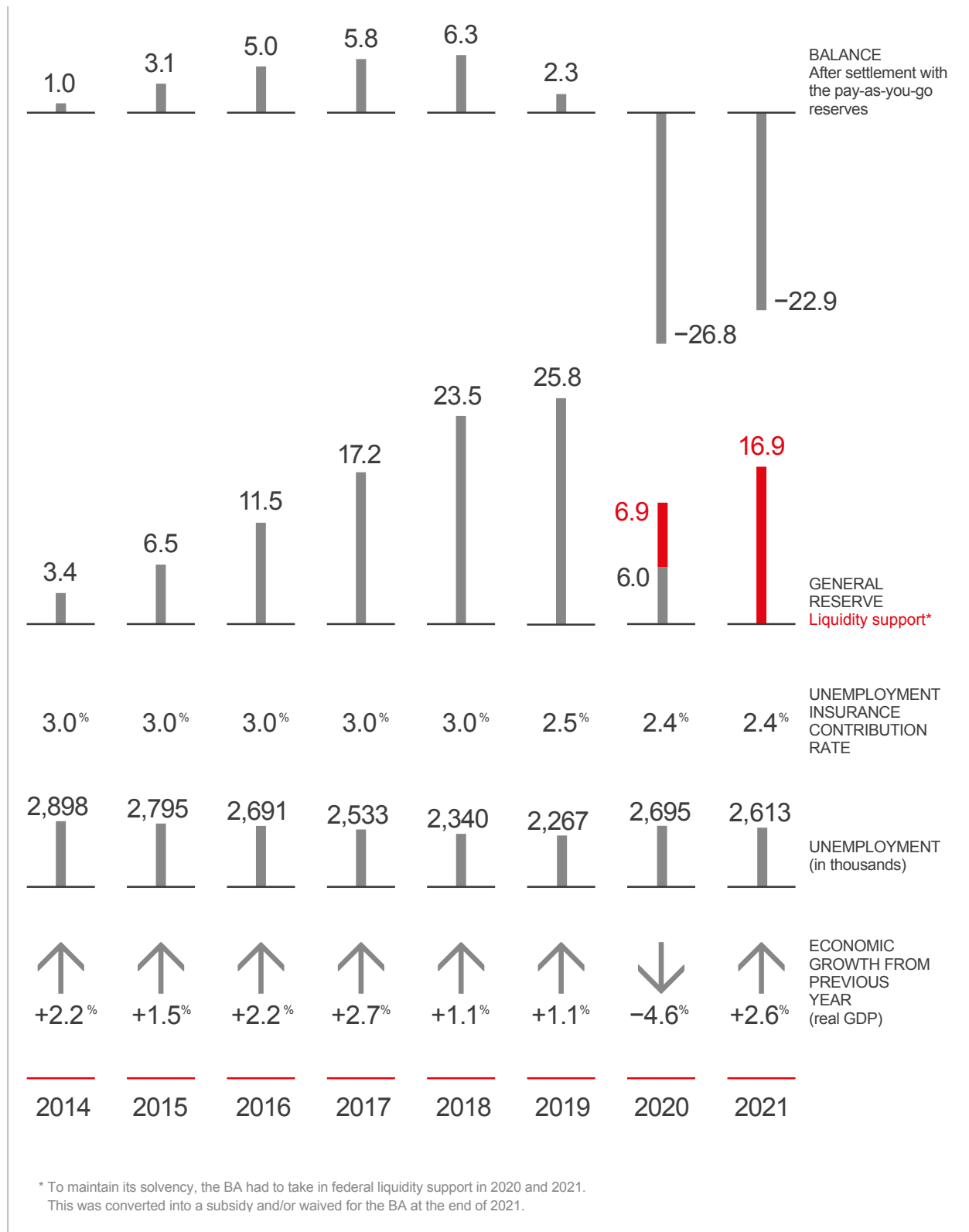
The BA's budget has been seriously affected by the repercussions of the pandemic situation for the second time in a row. The total income in the 2021 financial year came to € 35.83 billion. With € 57.57 billion, the expenditure was substantially higher again. In the first crisis year 2020, it had amounted to € 61.01 billion. The deficit after subtracting the pay-as-you-go reserves amounted to € 22.90 billion.

As the general reserve of the BA had already been exhausted down to € 5.97 billion in the previous year, the Federal Government had to compensate most of the total shortfall in the form of a subsidy amounting to € 16.94 billion.

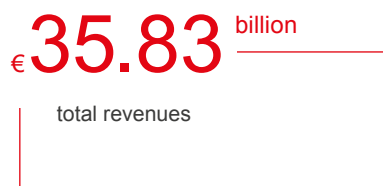




FINANCIAL DEVELOPMENT OF THE UNEMPLOYMENT INSURANCE SCHEME (AMOUNTS IN EURO BILLIONS)



Source: Federal Employment Agency



REVENUES

The income of € 35.83 billion generated in the past year exceeded the previous year's value by € 2.15 billion. The expectation was narrowly missed by € 143.34 million.

With € 29.57 billion, the contribution takings were up by € 1.34 billion from the previous year, almost reaching the budgeted amount of € 29.54 billion.



EXPENDITURES

€ 20.22 billion of the total expenditure amounting to € 57.57 billion were spent on short-time working allowance alone, including social security contribution refunds to employers. For the entire active employment promotion (excl. short-time working allowance), the BA spent € 8.42 (previous year 8.20) billion in the past financial year. The expenditure for the passive services amounted to € 20.11 (previous year 21.96) billion, including € 19.41 billion for unemployment benefit and € 492.62 million for insolvency payments.

The € 6.05 billion budgeted to finance the short-time work had to be repeatedly topped up with higher than expected expenses to cover the due payments, and by € 15.31 billion altogether.

The expenditure for personnel, the administration and encashment charge compensation amounted to € 8.82 billion at the end of the year, € 382.79 million less than expected.

DEFICIT FINANCING AND HELD RESERVES

At the end of the year 2021, the BA's expenditures exceeded its revenues by € 21.74 billion. This deficit was increased by € 1.16 billion by allocations to the insolvency payments reserve (€ 430.00 million) and winter employment reserve (€ 811.21 million). The deficit was made up for by still available reserve funds of around € 5.97 billion and federal liquidity support amounting to € 16.94 billion. The liquidity support was converted into a federal subsidy at the end of the year.

The pay-as-you-go reserves for the insolvency payments and promotion of winter employment had a volume of € 2.53 billion upon clearing at the end of the year.



PURCHASING

NUMBER OF PROCUREMENTS AND CONTRACT AWARDS IN PURCHASING REMAINS ON A HIGH LEVEL

The BA's purchasing department also succeeded in awarding its contracts in a timely and legally watertight manner during the corona pandemic.

Labour market services

The five regional purchasing centres provided labour market services with a 2021 measure start to an order volume of € 2.51 billion. This includes 520,000 participants and/or participant places. New flexible remuneration structures were introduced in parallel. Further units of just over ten million hours, just under 50,000 days and just under 7,500 months are available here for support and qualification contents.

57 per cent of the order volume were realised by new awards and 43 per cent by contractual options and/or processes of flexibilisation. The high number of exercised options and processes of flexibilisation contributes to the efficiency of the administration and continuity in the contractual relationships. This is of great importance, especially during the pandemic. 89 per cent of the new awards were effected in competitive procedures.

Eight procedures were audited by market participants using the review procedure – one of them successfully so.

IT and infrastructure

Central Purchasing in Nuremberg saw to goods and services in the IT and infrastructure product categories in over 1,000 transactions in 2021. Compared to 2020, the gross order volume was substantially increased to € 2.43 billion.

The significant increase in the order volume is attributable to the conclusion of high-volume multi-year successor framework contracts in the area of IT services.

88 per cent of the total order volume were allocated in awarding procedures, 90 per cent of them competitive. Twelve per cent were realised by way of order changes.

Three procedures were audited by market participants using the review procedure. One case led to a verdict in which the BA largely prevailed. The other two were declared settled.

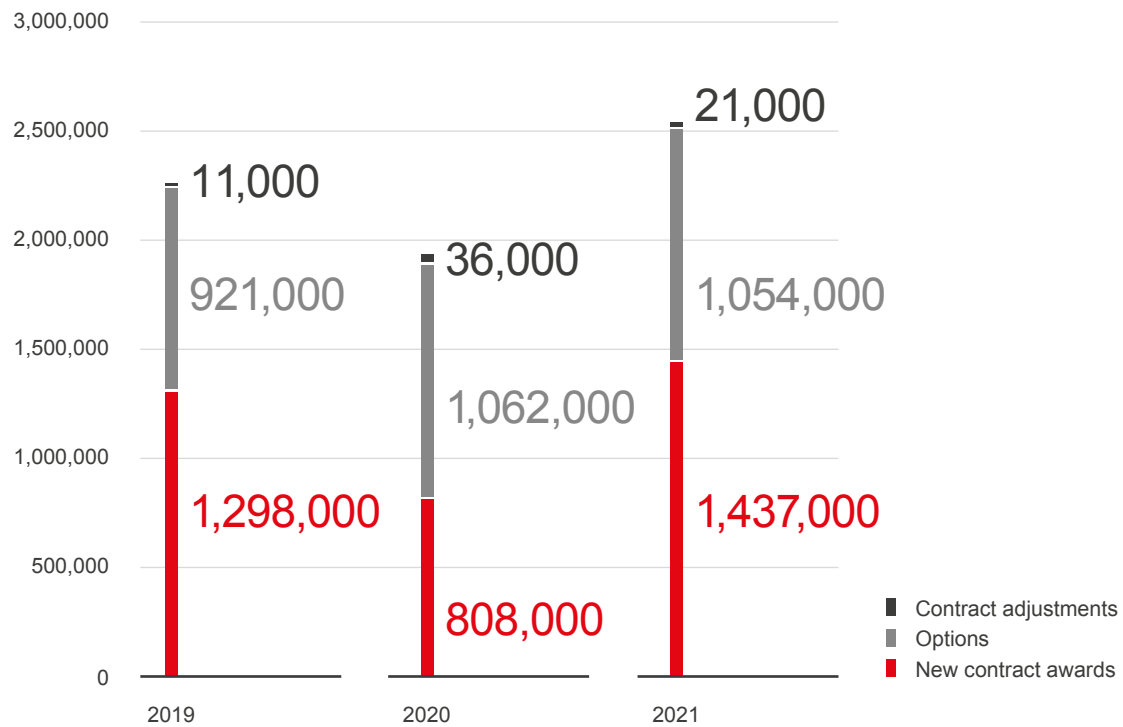
Continuing extra demands based on the corona pandemic were covered by the realisation of new framework agreements. This especially concerned procurements relating to health protection, the ability to work from home, and digital communications.

In addition to which the operational framework for short-term local procurements was temporarily expanded again. This helped to efficiently satisfy urgent, regionally specific demands.

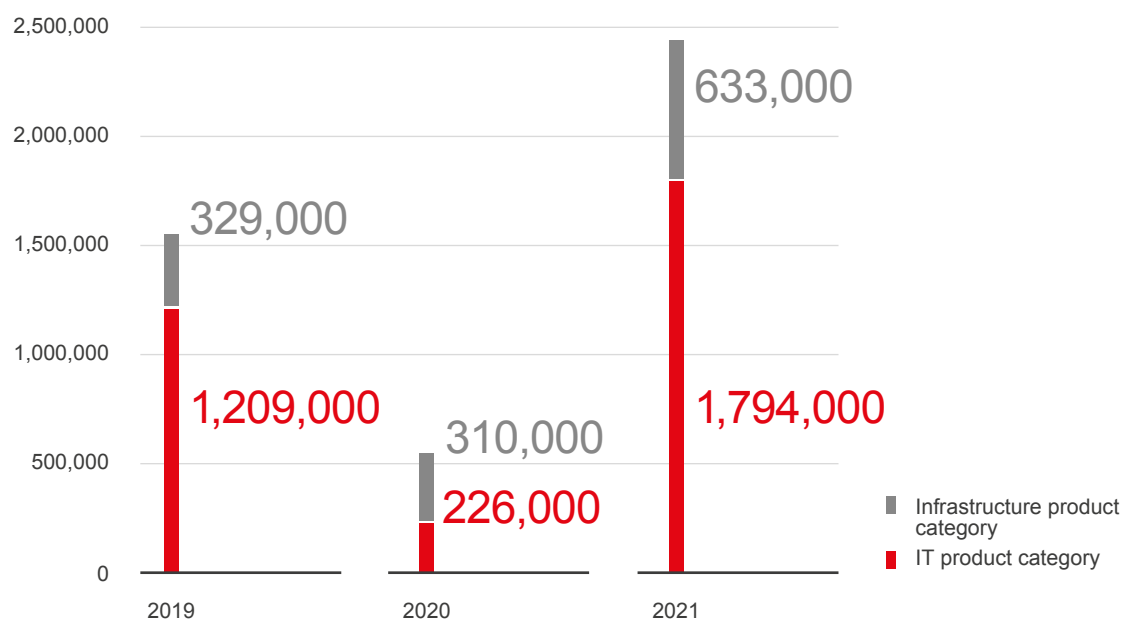


DEVELOPMENT OF THE ORDER VOLUME IN PURCHASING

Labour market service purchasing: order volume in thousands of euros



Central Purchasing: order volumes in thousands of euros



PERSONNEL

DEVELOPING PERSONNEL SUCCESSFULLY

Keeping an eye on the entire working life – the personnel development in the BA is currently being redesigned in many places, from recruitment to departure.

Making the BA fit for the future as an organisation

To master external and internal change successfully, processes require constant further development. The digital transformation, new ways of working and innovation projects are meant to be implemented sustainably and with a sense of proportion.

The "Change it! – Personnel work of the BA" forum enables employees to communicate their ideas for changing the personnel work, and like and comment on the ideas of others, for example. Over 180 suggestions for changes relating to the further development of personnel products and processes were received via this platform in 2021, and analysed and advanced with design thinking methods.

Competence model advanced

The competence model of the BA, a foundation of its personnel work, has been revised. This involved defining competences that are up-to-date and particularly relevant in a more digital BA with a new work culture. Not only the personnel selection is to be based on these competencies in the future. The BA will also provide its employees with targeted support and help to develop their competencies based on the model. The implementation of the competence model in the competence requirements for the BA's service positions, personnel development, staff qualification and selection procedures will start in 2022.

Dialogue and feedback formats reviewed

A critical review of the existing personnel development formats (e.g. appraisal interviews, personnel reviews) has been initiated. This is intended to answer the question what the feedback and dialogue relating to career development in the BA should look like in the future to provide lifelong learning and professional careers with the best possible support.

Personal responsibility in career advancement strengthened



The "personnel work of the BA" involved the elaboration of several options for a proactive and self-responsible career development of its staff, particularly with regard to executive positions. Demographic

change will bring about the retirement of many of the BA's experienced executives in the coming years. To stoke the interest in managing the BA, a series of "Keen on Management" events was conceived. Besides information, interested parties are offered opportunities for "getting an idea" and "trying themselves out". Over and beyond this, the entry into management is to be assisted even better by a leadership development support. Both concepts are in the trial phase and further ideas are being elaborated.

Promoting employment potentials and equal opportunities

Amongst other measures, the BA's sixth Equality Plan (for the period from 2022 to the end of 2025) was adopted to promote all staff potentials within the organisation and make the best possible use of them. The female share in the BA's executive positions presently amounts to 53 per cent. The objective resides in a continued expansion of the women's share in all management positions. The BA promotes diversity and equal opportunities to activate all potentials and secure the organisation's proficiency.

The BA has been awarded the employer signet "TOP-4women" and "Total E-Quality Predicate", including the additional "Diversity" predicate, for its diversity management in 2021.

Living (loving) lifelong learning

Lifelong learning is not only important for the clients of the BA, but also its own employees. The transformation of the labour market confronts the BA with major challenges. The BA, therefore, needs competent employees who are in constant development and for whom their own lifelong learning and striving for high quality become natural parts of the work. To this end, the BA is establishing a learning culture that is aligned with its view of humankind and understand-



ing of culture and leadership while enabling successful and continuous learning in a motivating environment.



STRATEGIC PERSONNEL PLANNING IS IMPLEMENTED BY WAY OF A PROCESS PLAN

The strategic personnel planning ensures the implementation of the corporate strategy by means of targeted personnel management.

This is based on the Strategy 2025-based work programme of the Executive Board and developments and strategic deliberations from all the divisions, which are translated into medium- to long-term personnel requirements in mathematical scenarios. In addition to which statements about the personnel structure are also derived.

With the strategic focus areas coordinated, the BA is now at the process stage of defining and discussing the functional target visions for the individual task areas. This is centred on two lines of attack: digitalisation & automation potentials and the guidance & placement quality. The target visions for individual task areas were elaborated on the basis of these strategic focus areas and the preamble coordinated with the Self-Governance.

A sum total of 31 functional target visions were elaborated for key tasks and management-oriented processes incrementally over time by 31 December 2021 with the involvement of the Regional Directorates.

New forms of knowledge acquisition developed for future-oriented learning

The BA is continuously advancing the qualification of its employees with modern forms of learning that are close to the workplace. Internal qualification options are expanded into so-called "blended learning" proposals, a mix of methods for making learning in the BA more workplace-oriented,

personal and digital. This involves attendance-based and online training with self-learning media and skill development in the work process in combination with an individual learning support service.

Strengthening guidance skills

The BA is responding to a changing world of work with intensified guidance as an important core business. To professionalise our guidance services, the BA's vocational guidance experts inter alia take part in a certificate programme, "Professional Guidance". The scientific advanced training enables guidance skills to be further developed on a high level with modern forms of learning while earning ECTS (European Credit Transfer System) points in parallel.

CORONA PANDEMIC SUCCESSFULLY DEALT WITH

The corona pandemic also posed major challenges for the BA in the year 2021. With the BA offices closed for clients in the first half of the year, matters could be largely dealt with and/or resolved by telephone or virtual client contact.

Ensuring the safety of clients and staff

Given the development of the pandemic curve, the service offices could be incrementally opened up again towards a "new regular operation". To protect the staff and clients, this was attended by the creation of regulations ensuring the best possible infection protection, also in personal contacts, e.g. relating to the compliance with distancing, hygiene and masking rules, or observation of the so-called 3G rule (requiring employees to be either vaccinated or recovered and tested) at the workplace.

The BA made a key contribution to pandemic management by way of extensive vaccination proposals. Initially reserved for prioritised employee groups only, the vaccinations could be offered to all the staff later. Good framework conditions serve to ensure that employees can work with dedication and in good health in all phases of life.

Employees supported with home office and family service

The home office options were expanded again in 2021 to 60,000 places. This also helped to protect the employees' health and maintain their capacity to work this year. The experiences made with home offices in the pandemic and attendant findings serve as a basis for the further development of mobile forms of work in the BA.

The closure of childcare facilities and schools at times of high workloads also confronted many employees with great challenges in 2021. To support the staff concerned in this exceptional situation and keep the services running, the range of family services was maintained as already expanded in 2020. Employees with family responsibilities in the areas of Social Code III and Social Code II were extensively able to rely on extensive individual childcare services.

BA training and study successfully continued

Training and study at the BA continued to be characterised by the corona pandemic in 2021 as well. Given the closure of vocational schools and employment agencies, as well as educational institutions and conference venues, the workflows in the BA's training operations had at very short notice. This also included a switch to online lessons to ensure the communication of learning contents. The challenges could only be mastered with high flexibility and thanks to the great dedication of all parties involved in the training.

The same applies to the BA's university, which had to suspend its attendance-based events as well. Not only the quick changeover to online teaching formats had to be organised and mastered. Simultaneously required in view of the corona-related framework conditions was an adjustment of the internship missions for the internship trimesters to be completed in the BA offices. The regular continuation of studies could also only be successful thanks to the great dedication and flexible design of the parties involved.



UNIVERSITY OF APPLIED LABOUR STUDIES (UALS)

The UALS is a state-approved university of applied sciences that is accredited by the Science Council and has two campuses, one in Mannheim and one in Schwerin. It offers two dual bachelor degree courses, "Labour market management" and "Guidance for education, jobs and employment". The courses are interdisciplinary, application- and practice-oriented. Amongst other aspects, they also include four internship phases in the BA's various task areas, ending after three years with the internationally recognised academic degree of "Bachelor of Arts" (B.A.).

The students are already employed by a local employment agency during their degree course. Successful graduation is followed by a permanent employment contract. Graduates can either work in various fields of activity in the employment agencies or jobcentres in joint institutions, e.g. as placement experts, or take on other duties in various advisory and back-office task areas.

In addition, the UALS also offers a part-time M.A. course in "Labour market-oriented consultancy", as well as various certificate programmes.

The degree courses still continued to be strongly affected by the repercussions of the corona pandemic in 2021. Attendance based events had to be largely eschewed. The lectures were therefore given by way of online formats, and the study workflows also adapted accordingly in the practical phases. Thanks to flexible solutions and the great commitment of everyone involved, all students were able to continue their studies.



IMPORTANT PERSONNEL FIGURES (ROUNDED FIGURES)



* Data are based on information voluntarily provided in an internal employee survey in 2017.

Source: Federal Employment Agency

BA-EMPLOYEE CAPACITY IN FULL-TIME EQUIVALENTS

	TOTAL		UNEMPLOYMENT INSURANCE AND BASIC INCOME SUPPORT SERVICE ¹		BASIC INCOME SUPPORT ²		FAMILY BENEFITS OFFICE	
	Actual prev. year	Actual	Actual prev. year	Actual	Actual prev. year	Actual	Actual prev. year	Actual
TOTAL	98,700	101,300	54,400	56,600	39,300	39,300	5,000	5,300
of which permanently employed	92,500	93,100	49,500	49,800	38,400	38,500	4,600	4,800
of which temporarily employed	6,200	8,200	4,900	6,800	900	900	400	500
Permanently employed share	91.9 %							
FOR INFORMATION ONLY ³								
Students	1,500	1,600						
Trainees	2,200	2,200						

¹ Employment agencies, Regional Directorates, special offices and central office (incl. internal service and basic income support services for job seekers).

² Jobcentres in joint institutions and overarching task performance for the basic income support for job seekers.

³ Junior employees are only shown for information at the total figure.

¹ Employment agencies, Regional Directorates, special offices and central office (incl. internal service and basic income support services for job seekers).

² Jobcentres in joint institutions and overarching task performance for the basic income support for job seekers.

³ Junior employees are only shown for information at the total figure.

Status: December 2020; Source: Federal Employment Agency





In its function as an employer and training organisation, the BA has successfully managed to duly continue and/or conclude the BA training and study courses despite the pandemic-related restrictions and many additional challenges, thus providing its junior employees with a good basis and perspective for their future.

External personnel continues to support the processing of short-time working allowance notifications and applications

The BA was also unable to handle the continued high numbers of notifications and applications for short-time working allowance in 2021 with its own personnel, forcing it to rely on added support. This continued to be provided to the BA by the BAMF, Deutsche Post and Deutsche Bahn unbureaucratically in the course of administrative assistance.



LEADERSHIP ACADEMY (FBA)

As a training service provider for internal qualification, the FBA performs its duties across legal purviews and with the involvement of local authority experts and executives. The employment agencies and jobcentres in joint institutions are thus supported by practice-oriented and high-quality training concepts. At the same time, the FBA is also the primary service provider for the qualification of executives within the BA. In 2021, the virtual and analogue range of events provided by the Leadership Academy was attended by around 11.500 trainees.

The digital program range on the "FBAidilog" online platform was advanced in the direction of proposals that are even nearer the workplace and more appropriate for the situation. FBAidilog allows executives to inform themselves about all the FBA services and directly register for events online.

In addition, the FBA elaborated the organisation's advanced understanding of leadership in cooperation with the Executive Board.

DIGITALISATION

IT AS PART OF THE CORE BUSINESS

The IT department is an important success factor for implementing the BA's "Strategy 2025". It is digitalising an ever larger part of the business and thus tangibly contributing to the business success of the BA, based on its technological and functional expertise. Stable and performant IT is an essential requirement for the operative efficiency of the BA.

The IT orientation for the "Strategy 2025" is aimed at tapping the sources of potential of digitalisation in the interest of clients and staff. The IT department implements this with clear performance promises to both. The IT Strategy 2025 has further developed and newly focussed the stimuli arising from the "Strategy 2025". Experiences within the

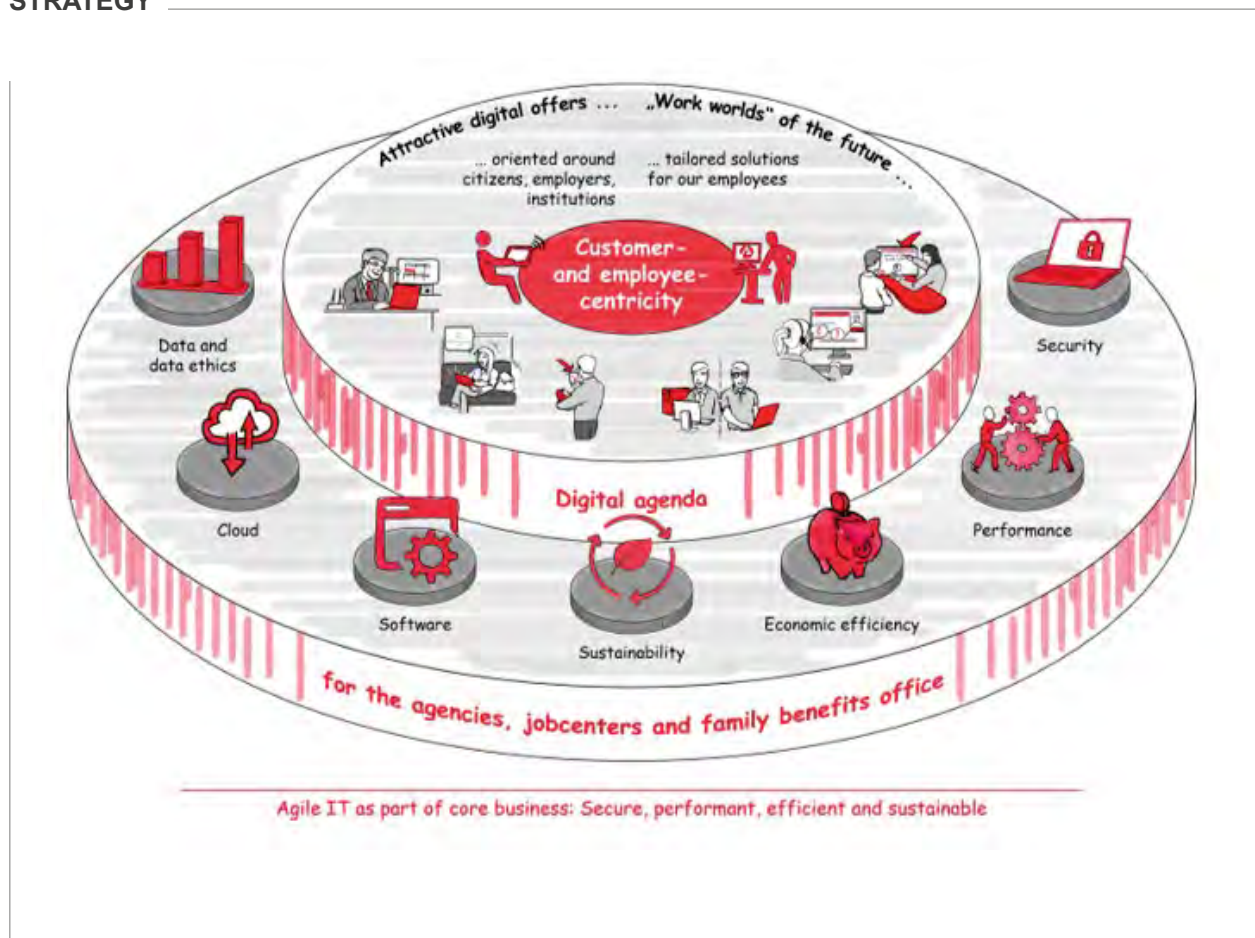
BA, internal and external expertise, as well as important trending topics such as sustainability, the future of work, digitalisation and data ethics have occasioned the IT department's advancement of the IT Strategy 2025.

Keeping performance promises

The IT implements the structure of the IT Strategy 2025 with nine focus areas. In doing so, two performance promises frame the IT department's projects for the coming years, which it intends to achieve by means of services provided in keeping with its principles.

The first performance promise addresses external clients of the BA and/or citizens, companies and other institutions.

ADVANCED IT STRATEGY



Source: Federal Employment Agency



"We offer our clients attractive online proposals for optimal support of their concerns." The BA's IT department develops digital services from the clients' perspective. The crux of the service provision is the immediately tangible benefit for the client.

A second performance promise goes to the BA staff as internal clients: "We offer our staff a modern work environment with custom-fit IT solutions for the best possible support of their tasks". The BA's IT supports them in their operative activities and role as employees of the BA.

The IT department implements these performance promises safely, agilely and cost-effectively. The IT strategy is subjected to an annual review and continually developed further. It therewith follows the changing business policy framework conditions, utilising technical innovation with the help of an established innovation management.

Agile transition helps the target achievement

To be able to fulfil the performance promises, a comprehensive cultural change is to be brought about by a process of agile transition. This is a key strategic objective for the IT in the coming years. The agile transition guarantees an efficient provision of client-friendly proposals by motivated employees. This will help the clients make headway.

The IT realises these aims by

- an early and sustainable involvement of users,
- faster responses to changing client requirements from shorter lifecycles,
- working in interdisciplinary teams with slim rule books and a supportive infrastructure, and
- minimising implementation risks by an iterative approach and early trials.

The agile approach improves the quality of IT services while boosting their efficiency at the same time.

THE BA IN TIMES OF CORONA: BETWEEN CRISIS INTERVENTION AND INNOVATION

The BA already became aware at the beginning of March 2020 that the advancing pandemic was highly likely to turn into an unequalled internal and external challenge for it and its more than 100,000 employees. Faced with contact restrictions and contact prohibitions, a marked growth was to be expected in the platform use of online and telephony channels, and unheard-of demands on the home office infrastructure. These challenges unfortunately continued to persist in 2021 as well. The BA's IT organisation thus switched to a task force mode right from the start with the aim of making fast decisions and stabilising and upgrading the existing IT platforms for the benefit of the many affected clients and employers, but also its own staff.

Home office use grows by a factor of 10

From an average of 2,500 regular simultaneous users before the crisis, the BA's home office platform was therefore successively expanded from the beginning of March 2020 to permit as many as 61,900 users to work from home simultaneously since mid-March 2021. At the peak, 55,000 BA employees worked from their home offices on 9 February 2021, i.e. more than half the personnel. Spread over the day, this figure even amounted to 65,000 different employees.

In parallel, the IT platforms for processing short-time working allowance have been scaled up since 2020 to allow over 13,000 employees to work in the IT systems simultaneously now, instead of the approx. 700 before. The dialogue mode of the systems was extended to 6 a.m. to 10 p.m. as well as weekends and public holidays. To not put the important operative work of the BA staff at risk, the IT teams saw to software deliveries and hotfixes at night. Short-time work notifications and approvals could thus be processed and brought to payment in the space of a few days in 2021.

The importance of the telephony platform grew hand in hand with the controlled cutback of operative client traffic. It was upgraded to enable direct client contact to be replaced. Instead of 5,000, 18,000 employees now staffed the phones at peak times.

Express digitalisation driven by many minor IT products

Also in 2021, the ability to intervene in the crisis was just as important as the start of a continuous further digitalisation process based on the client expectations as changed by the corona crisis: In specifically set up virtual BarCamps, engineers, experts and practitioners jointly surveyed the most urgent client requirements in these extraordinary pandemic times, developing innovative solutions for the on-line portal and specialised applications, and ensuring their go-live within a few weeks. Especially in times of crisis management, the BarCamps helped to open up thinking spaces, while the recent years' investment in agile work methods was able to bear fruit:

- Start of the "BA mobile" client app in February 2021 in response to the operative pandemic programme so that clients could still deal with various issues – e.g. report changes – even in pandemic times, conveniently from their homes without needing to visit the employment agency.
- Total reorientation of the BA's life situation-oriented portal around the subject of corona with daily updates and new landing pages.
- Digital assistants and chatbots around the notification and application for short-time working allowance and basic income support for job-seekers. The first questions asked by citizens and employers are thus already



answered automatically, relieving the telephone hotline and BA staff from standard requests.

- Functional and technical further development of the "KEA" basic interface service already implemented in the autumn of 2020 for the electronic acceptance of short-time working allowance documents. This enables electronic application files for short-time working allowance to be handed over to the BA from system-tested payroll systems.
- Implementation of a "short-time work document sending" app for clients to upload and send documents all around the short-time work.
- Implementation of new online services such as a new application process for easier access to basic income support and emergency child allowance, including upload function
- Provision of an online calculator for potential short-time working allowances. The calculator enables those concerned to easily calculate their individual claim.
- Introduction of a selfie-ident process providing the identification required to register as unemployed by smartphone or tablet. The advantages of this are time and cost savings for clients, and health protection for clients as well as BA staff. From June 2020 to August 2021, around 1.50 million clients relied on this convenient identification process.
- Services are also being developed in the area of basic income support for job-seekers in the JOBCENTER. DIGITAL II project, such as online appointment management and an expanded mailbox service for the jobcentres in joint institutions. The digital main application form is being trialled at 16 branches since mid-October 2021.
- In the "Online Access Act service expansion" (ELOS) project, digital services are in preparation for integration services.
- The "Skype for Business" platform has developed into the leading internal communication and cooperation platform. 131,000 staff are currently registered there. It is being used for 370,000 screen-sharing conferences a week, as well as 4.80 million audio dialogues. This is an effective help for the continued avoidance of contacts.

- In addition to which ever more clients are also being provided with guidance by video communication.

ONLINE ACCESS ACT: DRIVING THE DIGITALISATION IN THE PUBLIC ADMINISTRATION FURTHER

The "Act for improving online access to administration services" (Online Access Act) requires the federal and Länder authorities to also offer their administration services online by the end of 2022. For the BA, this means a complete digitalisation of 67 services, at least. Major challenges are posed by the complexity and partly extensive guidance requirements of individual services.

Thanks to the existing basic IT architecture of the BA, 26 services have been largely digitalised already, and 22 even fully. The milestones included the introduction of the online application for unemployment benefit at the turn of the year 2021/22, and thus of a consistent online process with online registration as unemployed, online appointment management, online video guidance and online unemployment benefit – and of course the new online application.

The reach the statutory target in time, the BA is further expanding its range of services available online. Especially the online access to integration and rehabilitation services will be possible as a result.

Maintaining the ability to intervene in the crisis and using innovations

The ability to intervene in the crisis and innovation are also the two key contributions made by the BA's digitalisation and IT departments in the year 2021 to promptly provide millions of companies and citizens with the services and benefits rendered even more essential by these times, and enable the BA's employees to continue their work despite the contact restrictions and restrictions in their private and professional environments. In this respect, the BA's IT benefited from having laid important architectural foundations with its digital transformation in recent years, which now enabled it to scale up and flexibilise its IT capacities since the start of the corona crisis in 2020, so that its employees were able to promptly process applications and client requests in changing task areas.

STATISTICS

MISSION OF THE OFFICIAL LABOUR MARKET STATISTICS

As part of the official statistics in Germany, the BA prepares and publishes statistics of the labour market and basic income support for job-seekers with in-depth regional and vocational breakdowns that are structured by the Social Code and maintained as department statistics under the subject-specific supervision of the Federal Ministry of Labour and Social Affairs.

These statistics are created with great topicality to provide the institutions acting directly in the labour market and politicians with a safe basis for assessing the overall situation and regional developments. This enables potential needs for action to be identified, and measures planned, in time.

The labour market statistics serve the employees' and employers' orientation in occupational and economic decisions. The statistics deliver the base data for the labour market research and augment the statistics of the Federal Statistical Office and statistical offices of the Länder, making them an important source for the work of the municipal statistical bodies.

QUALITY MANAGEMENT OF THE STATISTICS REALIGNED

Official statistics are a credence good. The best possible quality for users calls for solid foundations and consistent effort. The BA's statistical department is therefore basing its quality understanding on its statutory mission and European Statistics Code of Practice. In the current external auditing taking the form of a peer review of the European statistical system, the statistical department is asking itself the central question: How do we comply with the principles of the European Statistics Code of Practice? The answers to this, differentiated by the code's 16 principles and 84 indicators, represent the core aspects of the statistics' quality management. The details form a major part of the new documentation, "Foundations of the quality management in BA statistics". This explains how the statistics department ensures the quality of its processes and products, and its legal and organisational bases for this.

REPORTING PROGRAMME FOR PROFESSIONS EXPANDED

Digitalisation, decarbonisation and demographic change will accelerate structural change in the coming years, and step up the requirements for employees' occupational mobility. To enable an optimal management of the structural change, the Statistical Service has continuously expanded its reporting on professions in recent years, providing a good information basis for politics, science, the vocational guidance and training guidance. In a next development stage, the reporting programme will be expanded by a statistic concerning the occupational mobility of employees. A new measurement model developed for this in the employment statistics measures the occupational mobility when changing jobs. To this end, the currently exercised occupation is compared to that in the previous job when a new job is taken up. The regular reporting will start in 2022. The results of this mobility measurement are already being put to use in the "New Plan" self-exploration tool for the careers information of persons in work.

NEW INTERACTIVE SERVICES DEVELOPED

The interactive online services relating to statistics and/or the labour market reporting (www.statistik.arbeitsagentur.de) have been further developed with a focus on user feedback. Individual graphics and tables relating to the labour market, training market, jobs, industries, demographic change in the labour market, the demand for skilled workers, basic income support for job-seekers, short-time work and long-term unemployment can now be created and analysed in the shortest of times for all common regional breakdowns of Germany without downloading files. The service is undergoing continuous further development and augmentation based on the user feedback.



LABOUR MARKET RESEARCH

INSTITUTE FOR EMPLOYMENT RESEARCH (IAB)

The IAB is engaged in the continuous and long-term research of employment and the labour market, impact of active employment promotion, and effects of the integration services and livelihood maintenance payments in the basic income support for job-seekers. It provides political actors on all levels with competent advice based on its research results. Scientists from various disciplines create the basis for this political consultancy by sound, internationally networked research. The IAB therewith contributes to a better understanding of the labour market's operating principles, of employment opportunities and living conditions in a dynamically changing world, in keeping with its statutory mandate.

The IAB has introduced new forms of teamwork between organisational units from 1 January 2021 by pooling research and guidance issues and tasks in newly created "competence fields". The ten competence fields reflect the work of the institute, its themes and expertise in their full breadth. The contents of eight of these competence fields relate to research, one of them with a focus on data and methods. The other two competence fields represent the science-oriented services. In addition to this, the employment research in the institute was further strengthened by the establishment of the junior group "Jobs and Careers".

One integral part of the IAB's research agenda is the evaluation of labour market policy measures and studies looking at education and professional development, operational, occupational and regional aspects of the labour market, the changing forms of employment, and short- and long-term labour market forecasts. Particular attention is furthermore paid to selected focus themes. These currently include "Digital and ecological transformation", "Consequences of the Covid-19 pandemic", "Migration and integration" and "Social security in transformation".

The IAB is one of the largest producers of socio-scientific research data. The quality of these data is meanwhile of vital importance. Many findings of the IAB are based on the extensive own surveys and statistical data of the

BA. These data are prepared for the research purposes of the IAB, but can also be used by external scientists within limits.

FOCUS AREAS OF THE IAB IN 2021

Ever since the outbreak of the corona pandemic in spring 2020, the IAB has been supplying quickly available research data and scientific findings relating to the attendant consequences for the economy, labour market and social fabric. In a great variety of research projects, the IAB is inter alia analysing the repercussions of the corona crisis on unemployment, employment and short-time work, the consequences for migration and integration, the training market and transitions after school, the use of home offices, pandemic-related transformation processes in the economy and labour market, gender-specific role allocation in work and family, as well as social participation and social inequalities.

The projects rely on research data records that are based on administrative processes of the BA ("administrative data"), personal interviews and business surveys, and also statistical data of the BA at the current edge. All ongoing major surveys continued to be supplemented by added contents relating to the consequences of the corona pandemic in 2021. This includes company surveys such as the IAB company panel and IAB vacancy survey as well as surveys of various groups such as employees, trainees, job-seekers, claimants or pupils. The repeated surveys with high survey frequencies newly established in 2020, such as the highly frequent online person panel (HOPP) "Living and working in times of corona" and the "Businesses in the Covid-19 crisis" survey (BeCovid) were continued. In these surveys, businesses provide information on subjects such as the reliance on short-time work, business expectations, hirings and dismissals, or also training.

In 2021, the IAB has not only supplemented its previous focus themes with the theme complex of the corona pandemic and its consequences for the labour market, the work in companies and specific groups. In conjunction



with demographic change, the pandemic has additionally lent new relevance to the IAB's other focus themes. The digitalisation is accelerated in the wake of the pandemic, the social security system challenged, and the integration of people with migration experience in the labour market complicated, while the domestic labour force potential is simultaneously ageing and shrinking.

Besides a further improvement of the data situation, the analyses in the focus area of "Digital and ecological transformation" in 2021 prioritised the questions of how the digitalisation and ecological transformation affect or will affect employment and pay, which employees are most likely to benefit from the transformation process or be negatively affected by it, how job contents are changing, and what the implications of this are for the training and further training.

The research and consultancy relating to the focus themes of "Migration and integration" looked into the labour market impact of the corona pandemic for refugees and other migrants, as well as first estimations as to how the Taliban takeover in Afghanistan will affect the immigration from there and the integration situation in Germany. Further research activities served to collect and expand various data records for migration and integration research. The IAB is additionally studying the changes in the scope and structure of migration brought about by the Skilled Labour Immigration Act.

At the heart of the focus theme "Social security in transformation" lies the social security of persons affected by unemployment and low wages. The research and evaluation attending the new instruments "Integration of long-term unemployed" and "Participation in the labour market" as per Social Code II §§ 16e and 16i, on which the IAB will present a further report at the end of 2023, also continued to be a central research project here in 2021.

The other focus areas inter alia included the labour market effects of short-time work regulations, the dynamics in Social Code II claims, and analyses relating to sustainable labour market integration, the impact of integration agreements, and sanctions.



OUTLOOK 2022: LABOUR MARKET ON THE ROAD TO RECOVERY

The IAB elaborates forecasts of the labour market development twice a year.

For the year 2022, the IAB forecasts a **GDP growth of**

3.8
per cent,

an annual average growth of the working population to

45.44

million (+558,000 persons), and

an annual average decline of the unemployment to

2.32

million (−291.000 persons).

ANNUAL REPORT 2021

Seventieth Annual Report of the Federal Employment Agency

For the period from 1 January to 31 December 2021, the Executive Board presents the following report, approved by the Board of Governors, pursuant to Section 393.2 of Book 3 of the German Social Code (SGB III).*

*Statements 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, more efficiency and transparency are also crucial for state-owned companies and organisations. The management of these companies and organisations, therefore, needs to be guided by the ongoing development of modern governance structures. The Federal Ministry of Finance has created a "Public Corporate Governance Code" in connection with the Participation Policy set out by the Federal Government, offering a compilation of principles of good corporate governance. Based on this Public Corporate Governance Code, the BA would like to afford insights into its governance structures. The Corporate Governance Report is now in its twelfth year.

1. PREAMBLE

The BA is presenting a Corporate Governance Report for the 2021 financial year, based on the Public Corporate Governance Code of the Federal Government. The aim is to ensure transparency and traceability with regard to the corporate governance and monitoring.

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

The stringent separation between the management's responsibility for the operational business and the control and advice by self-governance is enshrined in law.

2. EXECUTIVE BOARD (SGB III § 381)

The Executive Board manages the BA, conducts its business and represents the BA in both judicial and extra-judicial proceedings. It consists of a chairperson and two other members. § 2 of the Executive Board's Rules of Procedure require business areas to be allocated to each board mem-

ber. Each board member principally sees to the tasks associated with these independently.

The BA has not taken out pecuniary damage liability insurance for the members of the Executive Board, but has held a D&O insurance policy since 1 January 2013.

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

Within the scope of corporate governance, the Executive Board has developed an institutionalised risk management system for the BA whereby it obtains regular information about the risks to have materialised and possible future risks. The objective is to plan preventive measures for safeguarding the organisation. This semi-annual information is forwarded to the Presidium of the Board of Governors by way of the Chairperson of the Executive Board. The responsibility for identifying risks and planning the resulting measures in the risk management system continues to reside with the business divisions – in keeping with the management philosophy described above.

Corruption prevention is directly assigned to the Executive Board as part of the duties to be discharged in the area of law / compliance / enterprise fraud management. The BA is a member of Transparency International.

The members of the Executive Board are nominated by the Federal Government upon suggestion by the Board of Governors and appointed by the Federal President. The members of the Executive Board are employed under public law. The term of office of the members of the Executive Board is five years. Several terms of office are permitted (SGB III § 382).

Over and beyond this, 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 governmental approval (SGB III § 382.6).

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

3.1 Organisation and tasks

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

The Board of Governors supervises the Executive Board and the administration and advises them in all issues relating to the labour market. It approves the budget prepared by the Executive Board (SGB IV § 71a). The definition of the BA's strategic orientation and business policy objectives is 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 relating to the budget and self-governance issues,
- Committee II for the subjects of labour market policy, labour market research and cash benefits.

Both these committees also engage with the audit reports by the internal audit department and 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 installed a Presidium consisting of the Chairperson, the Deputy Chairperson and the spokesperson of the group of public bodies of the Board of Governors (Article 6 of the Charter of the BA).

The committees and Presidium cannot take decisions in place of the entire Board of Governors. Resolutions are reserved for the Board of Governors.

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

3.2 Appeals procedure (SGB III §§ 377 ff.)

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

Eligible to submit nominations for members of the group of

- employees are unions that have entered into wage agreements, and their associations, and for the group of
- employers are employers' associations that have entered into wage agreements, and their federations,

that are of essential 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 for three members
- the Federal Council for three members, and
- the umbrella association of self-governing local authority bodies for one member

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

The members of the Board of Governors carry out their work in an honorary capacity. They may not be hindered in taking on or exercising the honorary office or be put at a disadvantage on account of taking over or exercising such an office (SGB III § 371.6). They are not subject to any instructions by the organisation that delegated them (Article 2.3 of the BA Charter).

In its recommendations to the administrative committees, the Board of Governors stipulates that conflicts of interest are to be avoided. It generally recommends that members disclose their concerns if they experience a conflict of interest or fear partiality with regard to the upcoming session.

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

4. REMUNERATION

4.1 Remuneration of the Executive Board

During the past year, the business of the BA was conducted by Mr Detlef Scheele (Chairman of the Executive Board), Ms Christiane Schönefeld (Board Member) and Mr Daniel Terzenbach (Board Member). The total remuneration paid to the members of the Executive Board in 2021 amounted to € 809,000 altogether.

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 deputies for their cash expenses and grants an allowance (SGB III § 376) that currently amounts to € 26 per session day.

5. AUDIT

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

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

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





STATISTICAL INFORMATION

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

Annual values based on preliminary extrapolated results were used to show admissions to labour market policy measures. Some of the detailed information (e.g. proportion of women) is based on flexible annual values for the months of October 2020 to September 2021 with the geographical and data status of December 2021. Subsidy data from the area of basic income support for job-seekers are only reported for jobcentres in joint institutions as the corresponding budget data are available here too.

The claimant data are based on extrapolated results for the year 2021. Flexible annual values for the months of November 2020 to October 2021 were used in the process for some of the detailed information (e.g. proportion of women) in the unemployment insurance scheme, and on flexible annual values for the months of October 2020 to September 2021 for the basic income support for job-seekers.

The information on the funds invested only reflects the support programmes in the employment agencies and/or jobcentres in joint institutions and relates to the full year of 2021.

The unemployment data all map the full year of 2021.

The information on registered training market vacancies do not include the data supplied by the jobcentres of approved municipal providers. The Statistical Service of the BA presumes that most the unsubsidised training market vacancies registered at the jobcentres of approved municipal providers under the Vocational Training Act (BBiG) are registered at the employment agencies and/or jobcentres in joint institutions at the same time. The number of applicants including the jobcentres of approved municipal providers is therefore contrasted with the number of vocational training market vacancies excluding them.

All data concerning assistance provided through labour market policy measures are mapped without non-recurring payments.

Labour market policy measures not mentioned in this Annual Report and further data on the labour market and basic income support for job-seekers are available for your perusal on the website of the BA's Statistical Service at www.statistik.arbeitsagentur.de.

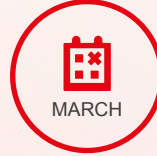


AWARDS AND PRIZES



JANUARY

The BA is once again honoured as a **"TOP4WOMEN" ORGANISATION** that welcomes women as employees and specifically supports "women's careers"



MARCH

The BA takes 1st place for the second time in a row in the "Public Service" industry and improves its overall ranking from place 89 to place 38 in the **"BEST RECRUITERS"** study.



APRIL

The BA takes 32nd place in a ranking of Germany's most popular employers in the **"TRENDENCE PUPILS' BAROMETER"**



MAY

The BA is amongst "WirtschaftsWoche" magazine's top 50 in the **"GERMANY'S MOST POPULAR EMPLOYERS AMONGST STUDENTS 2020"** category and discipline of "Humanities and Social Sciences"



JUNE

The BA takes 8th place as the highest new entry in the **"TRENDENCE SKILLED LABOUR BAROMETER"**, the largest study amongst skilled workers in Germany



SEPTEMBER

The BA is honoured as a **"TOP COMPANY FOR WOMEN"** in the employer survey of "Brigitte" magazine



OCTOBER

The BA is distinguished as one of **"GERMANY'S BEST TRAINING PROVIDERS"** by the business magazine "Capital" in the categories "Training" and "Dual study"



NOVEMBER

The BA is once more awarded the Trendence seal **"FAIR TRAINEE PROGRAMME 2021"**

The BA has been awarded the **"TOTAL E-QUALITY PREDICATE"** for equal opportunities and diversity as an employer.

The BA has been distinguished as a **"TOP PROVIDER FOR FURTHER TRAINING"** by "Focus" magazine

Membership in the **"SUCESS FACTOR FAMILY"** network: This serves the BA to signal its engagement with the issue of "reconciling families and careers" and promotion of a family-friendly personnel policy.

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