

Activation policies in Germany - the implementation of the new assistance scheme for job-seekers

**Presentation at the conference "Employment and Social Activation"
of the European Social Network, 24-25 Oct. 2006 in Metz (France)**

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Megatrend - localisation of employment policy

- OECD - recommendations for local economic and employment development policies (LEED)
- EU - employment guidelines
- „Acting locally for employment“ - the Bonn-declaration of CEMR

Megatrend 2 - activation

- From active labour market policy to activation policies
- Integration of employment and welfare policies
- Individual pathway methodology (European Foundation)
- Conditionality of benefits
- Work-first principle

Policy-Framework in Germany

- **Multi-layer governance** (federalism: Bund-Länder-Cities / Regions)
- **Central state:** labour market, employment
- **Local authorities:** social assistance, youth welfare
- **Economic development:** Länder, regions, cities

Institutional setting of social and employment policies on the local level (till 2004)

**Social Welfare
Dpmt. (LA)**

**Employment
office (state)**

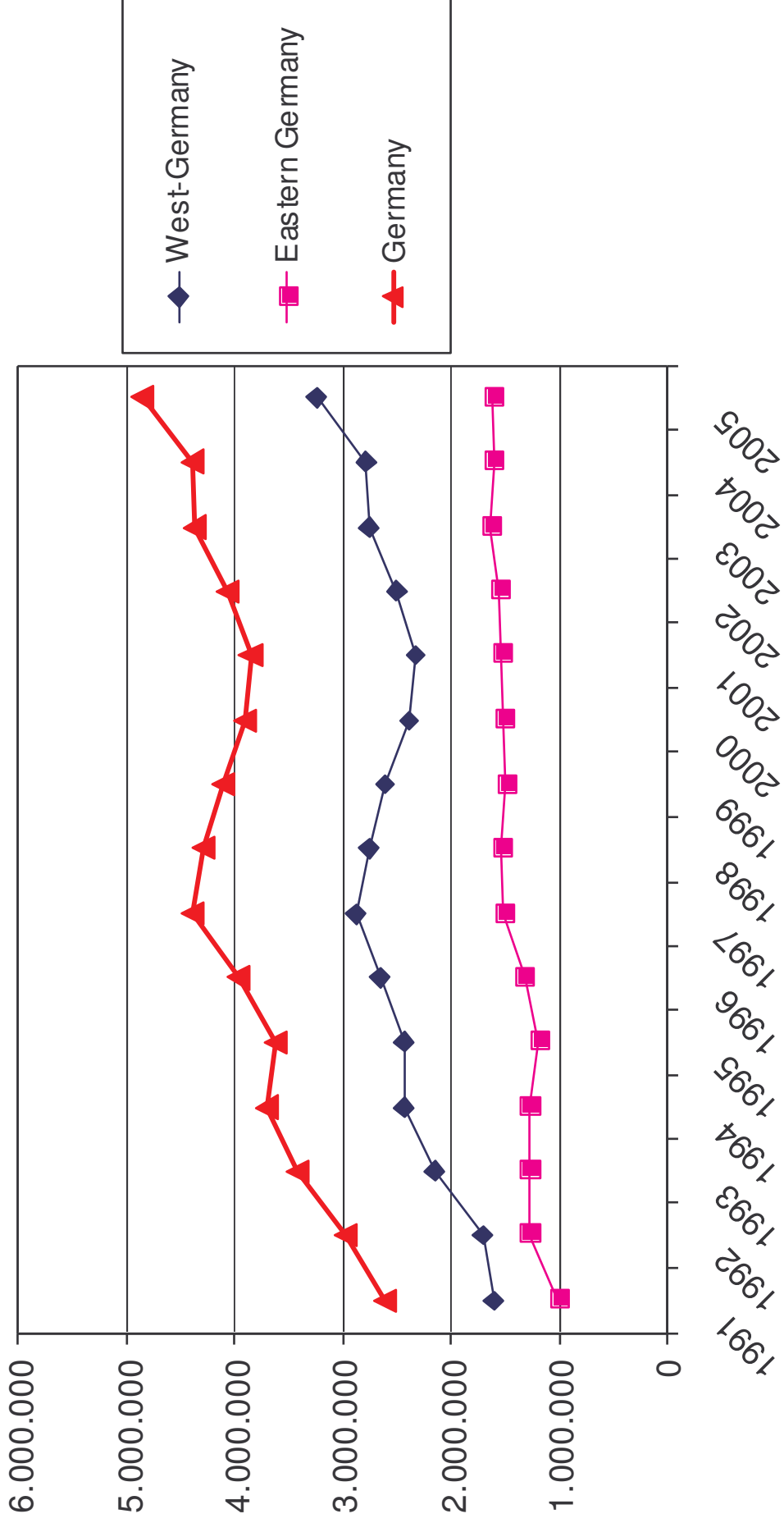
**Economic dvlmt.
(LA)**

**Various 3rd
sector org., NGO**

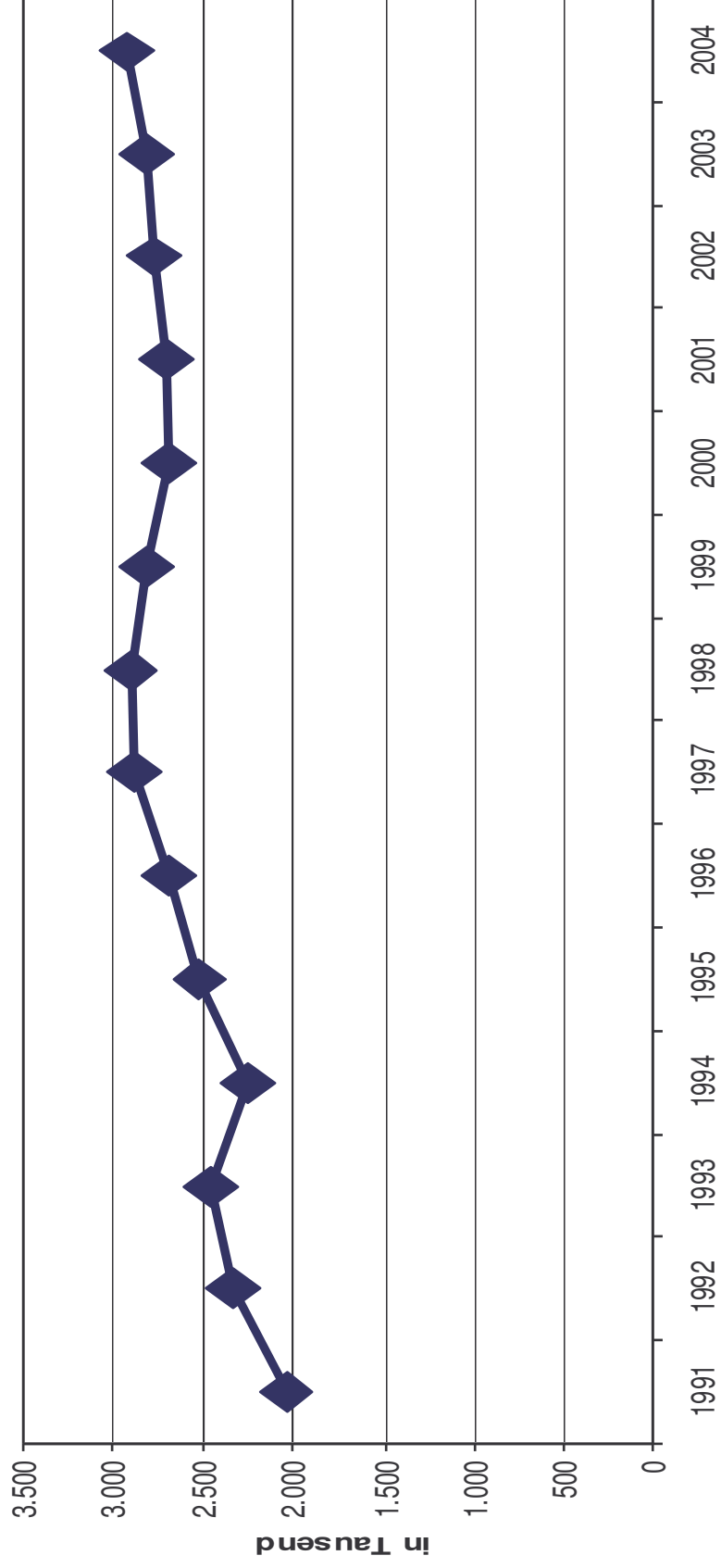
Policy background in Germany

- **Rising unemployment** in the 90's
- **Fiscal crisis** of the central state
- **Shifting of burdens:** rising expenditures of local authorities for social assistance
- **Severe financial and structural problems** on the side of local authorities

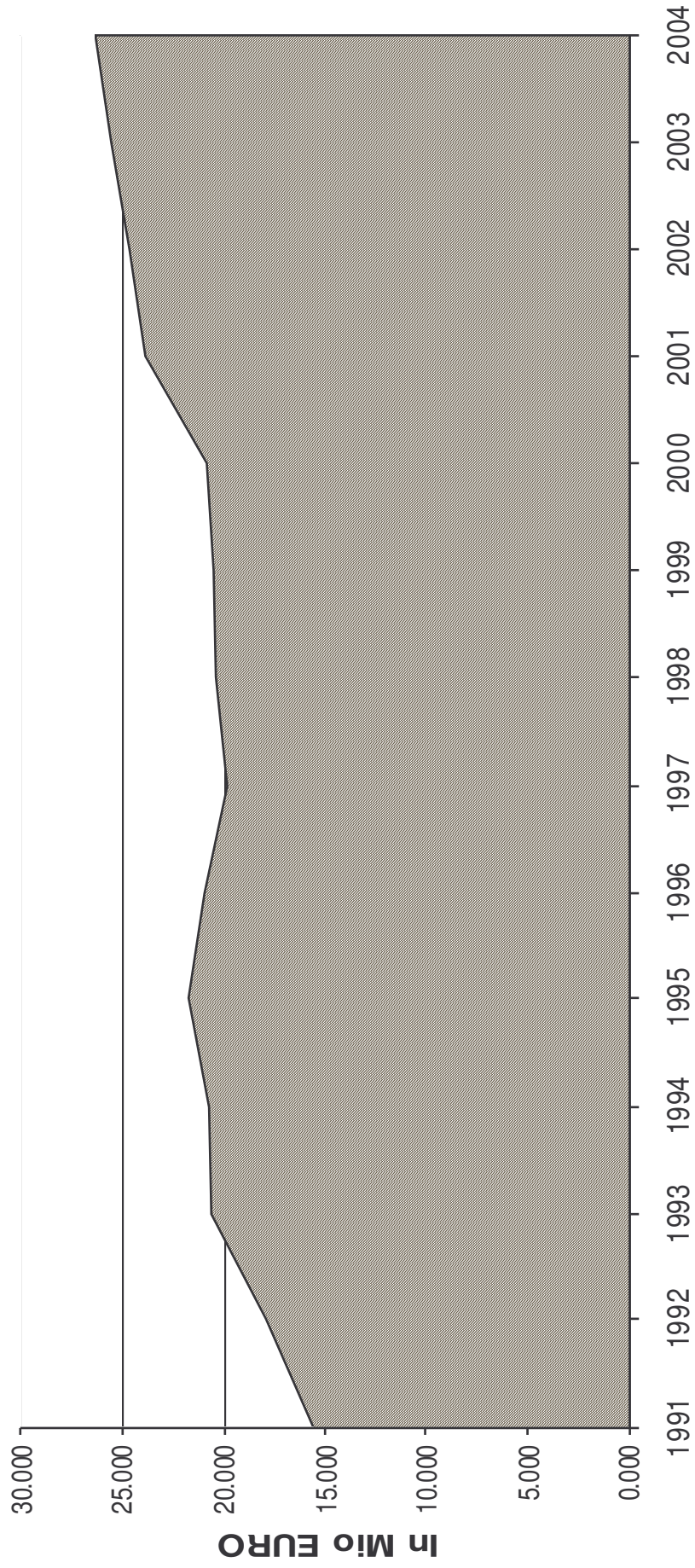
Unemployment in Germany



Recipients of Social Welfare (East and West)



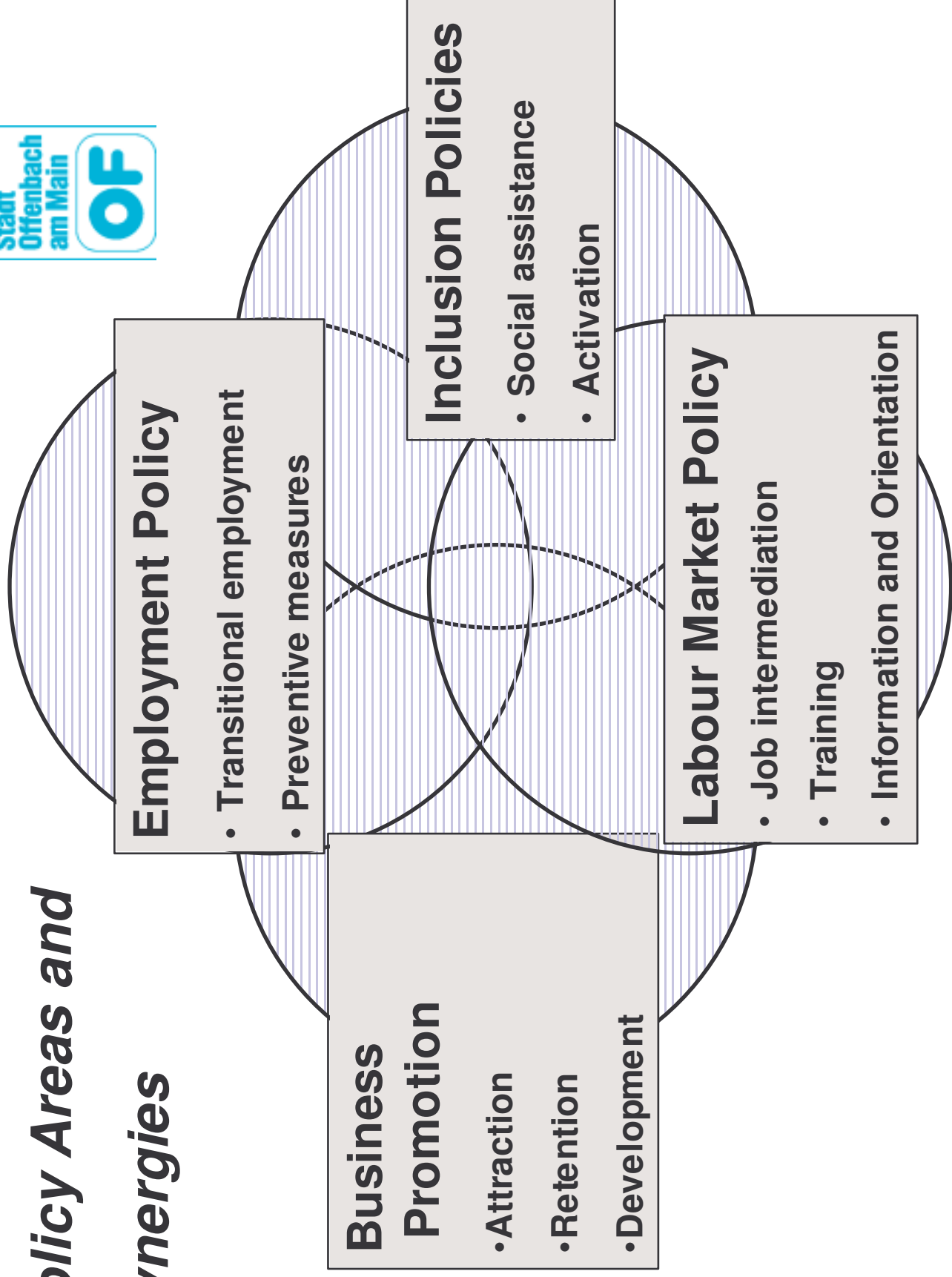
Expenditures for Social Assistance in Germany



Local Employment Policies in Germany

- **Job-creation schemes** for recipients of social assistance and long term unemployed
- **Apprenticeship schemes** for disadvantaged youth
- **Promotion of Entrepreneurship**
- **Integrated local economic and employment policies** as a strategic approach

Policy Areas and Synergies



Social Reform 2005 in Germany ("Hartz 4")

- Part of "Agenda 2010"

Aiming at:

- Activating labour market policy
- Integration of assistance schemes (Sozialhilfe und Arbeitslosenhilfe) in a new "Grundsicherung für Arbeitsuchende"

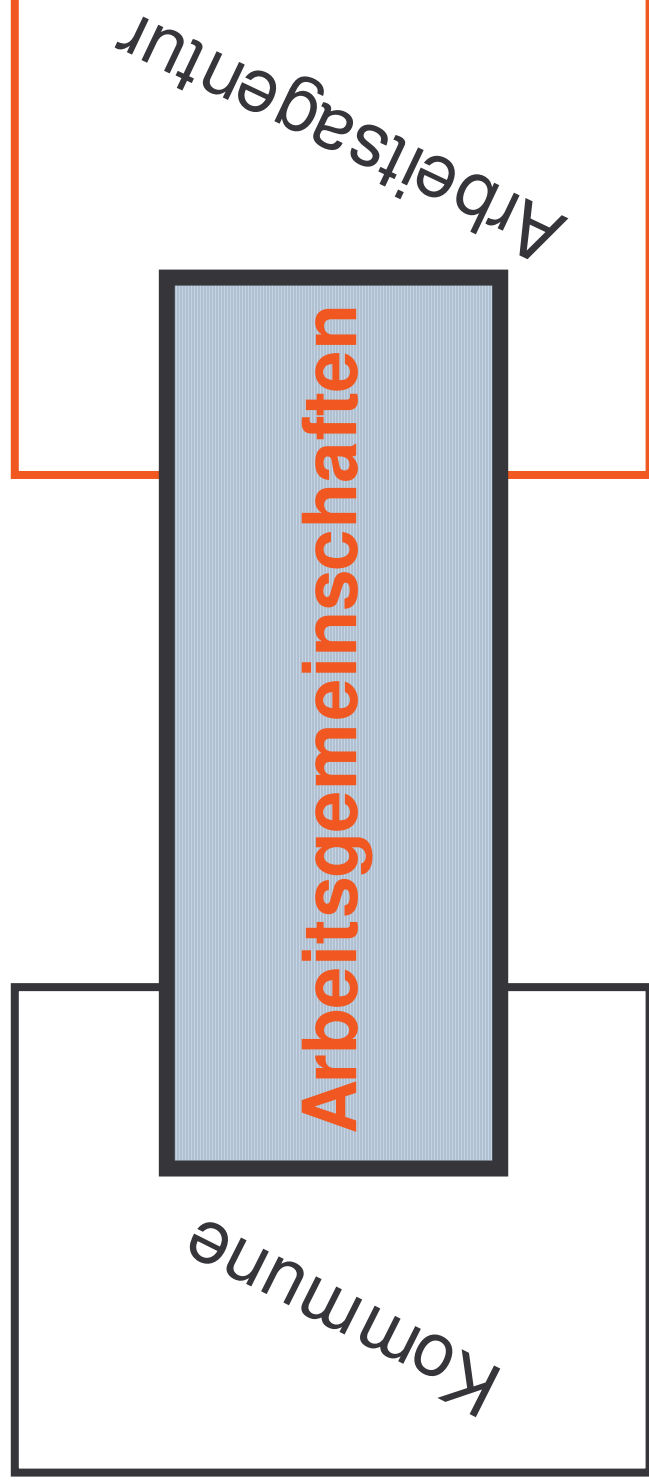
Legal responsibilities under social code II (SGB II)

Benefits SGB II	State (via federal agency for employment)	Local Authorities
Minimum income	<ul style="list-style-type: none"> • Alg II • Sozialgeld 	<ul style="list-style-type: none"> • Housing / heating • Complementary benefits
Integration measures	<ul style="list-style-type: none"> • Measures for job integration • Community work schemes 	<ul style="list-style-type: none"> • Social integration measures • Social work

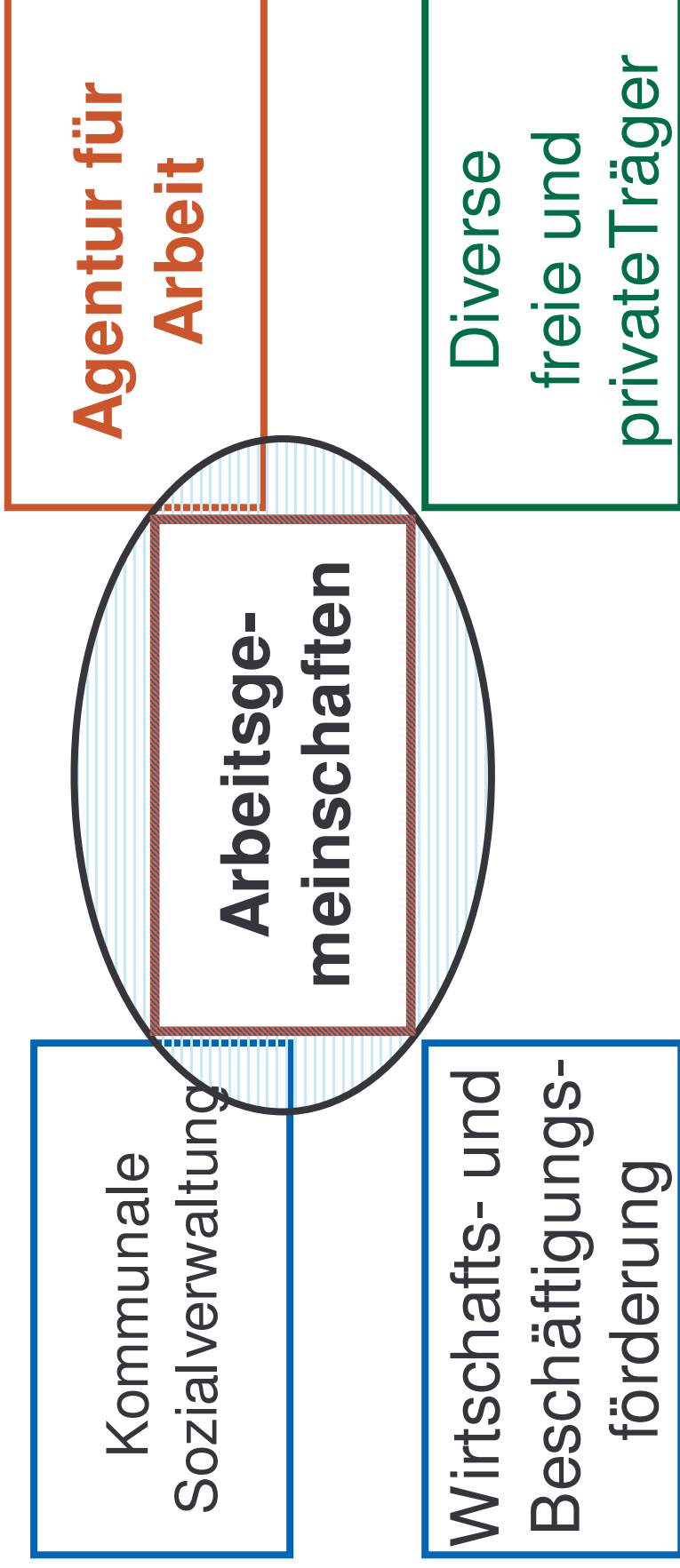
Implementation (SGB II)

- **Consortia of employment agencies and local authorities (350 consortia)**
- **Single responsibility of local authorities (exceptional option under a experimentation clause, 69 local authorities)**
- **Split responsibility**

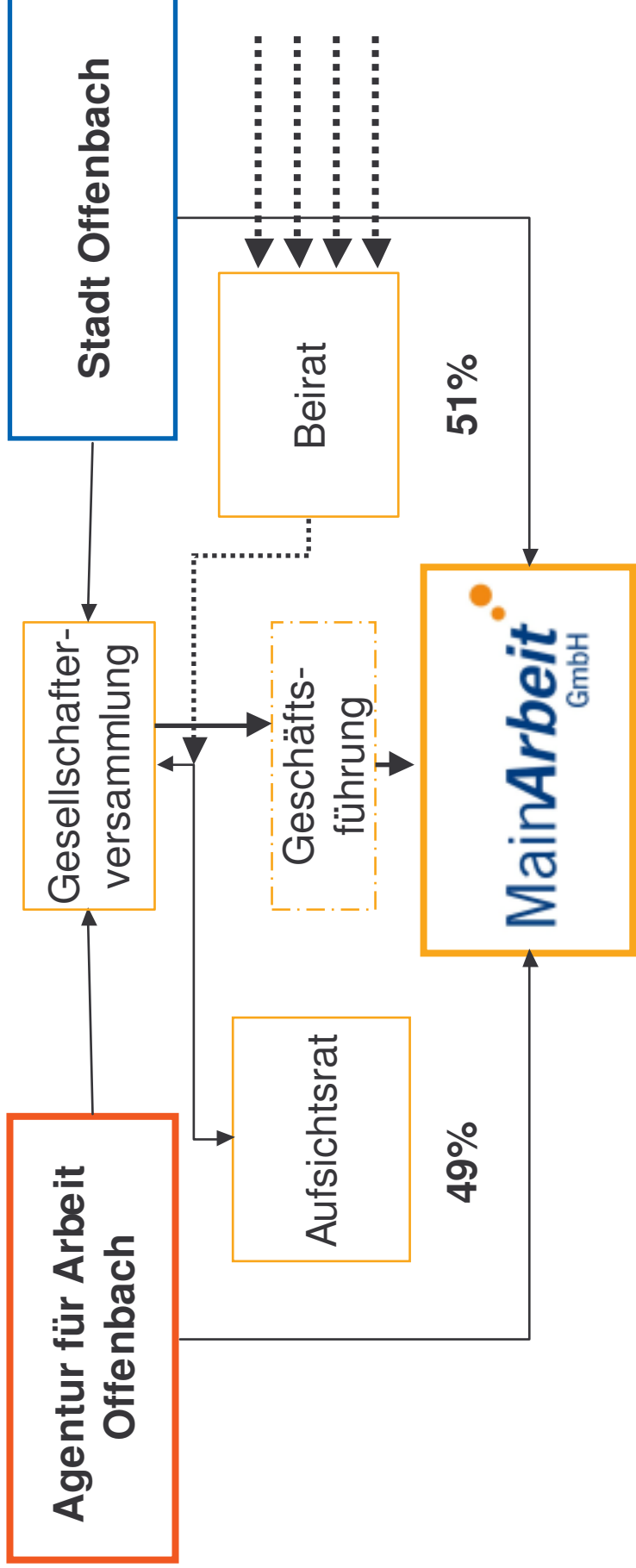
Consortium under § 44b SGB II



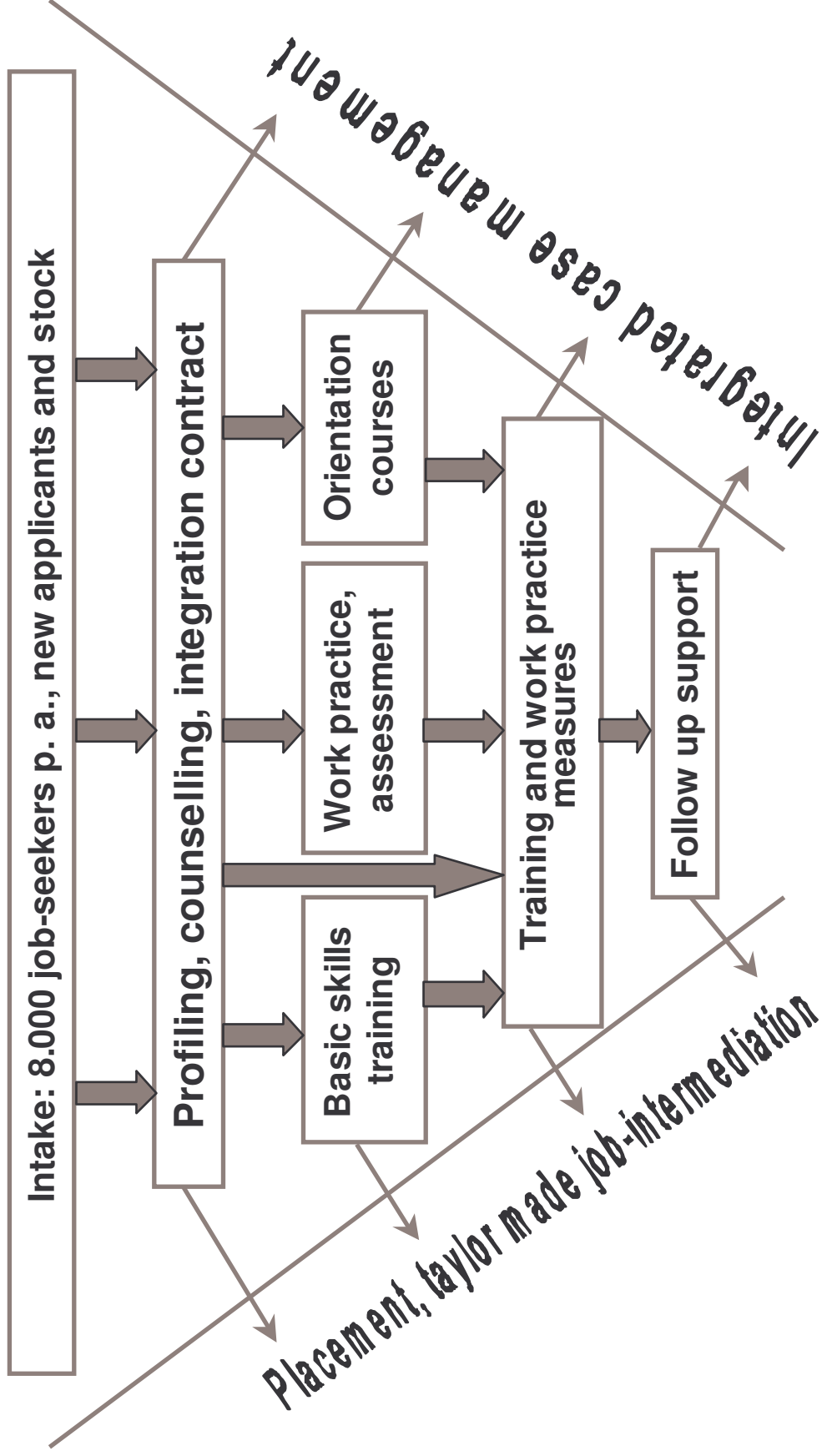
Institutional "setting" after "Hartz 4"- reform



Beispiel: Struktur der MainArbeit GmbH - Arbeitsgemeinschaft in Offenbach am Main



Activation and Integration (Practice in Offenbach)



Arbeitsmarktpolitische Maßnahmen Juli 2006	Teilnehmer (ca.)
Insgesamt im Monat	2.000
Arbeitsgelegenheiten	700
Qualifizierung, FbW	220
Coaching, Vermittlung d. Dritte	700
Profiling	200
Produktionsschulen	80
Außerbetriebliche Ausbildung	100



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