

### Policy Brief

August 2020

# COVID-19: Public employment services and labour market policy responses

#### **Key points**

Labour market policies and programmes have been critically important in assisting workers and employers to deal with redundancies, furloughs or reduced work schedules as a result of COVID-19.

The COVID-19 crisis has severely disrupted economies and labour markets in all world regions, with estimated losses of working hours equivalent to nearly 400 million full-time jobs in the second quarter of 2020, most of which are in emerging and developing countries, according to ILO estimates (ILO, 2020a). Income compensation and active labour market policies (ALMPs) are key elements of the policy-maker's toolbox in addressing the challenges posed by the crisis. Often delivered through public employment services (PES), labour market policies and programmes have been central to cushioning redundancies, preserving jobs and skills, facilitating employment in essential production and services, and keeping people connected to the labour market, including disadvantaged workers in the informal economy and new forms of employment.

Prior adoption of technology and the ability to adjust quickly facilitated the capacity of PES to respond effectively and maintain services during the containment period.

PES that had invested in technology for service delivery prior to this crisis and those with a clear digital transformation strategy could rely on remote delivery channels to ensure service continuity during full or partial lockdown. In addition to technology based delivery, flexibility in reorganizing operations and partnerships has contributed substantially to boosting the capacity of PES to cope with both the sudden surge in demand for critical services and the disruptions associated with measures to control the pandemic. Critical services maintained in local labour markets have included the processing of unemployment insurance claims, referrals to welfare support, and enhanced matching services to sectors still actively recruiting amid the pandemic.

 Active labour market support is likely to be more effective when delivered as an integrated package.

The COVID-19 crisis is likely to have lasting impacts on jobs, enterprises and skills, making it more challenging for employers and workers to navigate the labour market in the ensuing recession, particularly in economies with large informal labour markets. A stronger connection between policy measures to ensure business continuity, active labour market support and social protection systems can help governments prevent more people from falling into poverty and unemployment. While job creation measures should be emphasized, support for enterprises of all sizes should be linked to productivity, job and income preservation objectives as well as labour reallocation during recovery.

COVID-19: Public employment services and labour market policy responses

#### **Key points** (continued)

 Governments must actively support the job transitions of displaced workers and groups most at risk of unemployment and discouragement.

Maintaining active labour market programmes and PES funding throughout the recovery period will ensure that services are scaled up sufficiently to facilitate reintegration in employment. Women, youth, migrant workers and older workers, as groups that are often over-represented among the low-skilled and in those sectors hardest hit by the effects of the pandemic, are more likely to find their jobs threatened in the

recession induced by COVID-19. Targeted labour market interventions and broader access to PES are critical to maintain the employability and job-readiness of groups experiencing greater vulnerability and job instability. Inclusive and gender-sensitive approaches can accelerate the recovery and encourage labour market participation. Actively involving employers and other relevant partners such as private employment agencies in these processes can facilitate access to jobs.

# 1. Labour market policies and programmes: A key component of the policy-maker's toolbox

The global health crisis caused by the COVID-19 pandemic has severely disrupted economies and labour markets in all world regions. Among the most vulnerable are the 1.6 billion informal economy workers, representing half of the global workforce, who are working in sectors experiencing major job losses or have seen their incomes seriously affected by lockdowns. The COVID-19 crisis is disproportionately affecting 1.25 billion workers in at-risk jobs, particularly in the hardest-hit sectors such as retail trade, accommodation and food services, and manufacturing (ILO, 2020b). Most of these workers are self-employed, in low-income jobs in the informal sector, and have limited access to labour market mechanisms for cushioning income losses and unemployment. The crisis has exacerbated existing vulnerabilities and job instability for workers already at risk of poverty and economic inactivity. Young people, for example, are experiencing multiple shocks including disruption to education and training, employment and income, in addition to greater difficulties in finding jobs.

Labour market programmes are a key part of the mix of policy responses that governments have put in place to protect jobs, enterprises and incomes from the fallout of COVID-19. As in previous crises, policy-makers in emerging and developed economies have used labour market policies to deal with immediate labour market deterioration in various ways: to speed up return to work, adapt skills, facilitate workforce reallocation and cushion temporary income losses after unemployment spells. However, in contrast with past downturns, in this crisis labour market institutions have had to deal not only with a fall in aggregate demand, but also with the effects of lockdown restrictions and physical distancing measures aimed at slowing the spread of the coronavirus. A summary of labour market policy responses most commonly available, including those directed at labour demand and supply and their intermediation, is shown in box 1.

### Box 1. Types of most commonly available labour market policies

Labour market policies consist of income replacement during unemployment spells or reduced working hours (passive support), and labour market integration measures available to those unemployed or threatened by unemployment (active support).

Passive labour market policies consist mainly of unemployment benefits, often combined with other cash transfers and enterprise support measures. Countries with large numbers of informal workers and limited safety nets rely largely on cash transfers and the provision of a universal basic income through discretionary fiscal mechanisms to compensate those without access to formal unemployment benefits for income loss.

**Active labour market policies** (ALMPs) can be classified according to their intended functions in influencing labour demand and supply, and the intermediation of the two:

*Demand-side measures* are used to preserve or support employment during the crisis and recovery, and also to provide incentives to create new jobs.

These measures, which are of limited duration, cover wage subsidies, reductions in non-wage labour costs and short-time working support.

Supply-side measures are used to enhance workforce adaptability, including through on-the-job and classroom training, typically with effects on medium-to long-term job prospects. These policies also provide incentives to seek and keep employment, often targeted at low-skilled and vulnerable workers, through in-work benefits in the form of wage payments and subsidies, for example in temporary public employment programmes. Incentives are also applied to promote self-employment and entrepreneurship.

Labour market intermediation measures help bridge the gap between supply and demand in the labour market by promoting more efficient and betterquality matching of jobseekers and vacancies. They increase the probability of jobseekers finding employment through job-search assistance, counselling, advice, labour market information and job-matching.

Source: Authors, based on Brown; Koettl, 2015. For more details, see Annex I.

In many developed and emerging economies, PES are prominent in the execution of labour market policies to support job transitions for workers and enterprises.

Along with other government agencies, PES have played a critical role in the implementation of policy responses by governments, in particular, to activate, augment and expand support to jobseekers, workers and employers.

Policy responses designed around existing labour market interventions have been adjusted to reflect the different stages, length and severity of lockdowns and physical distancing measures for reducing virus transmission. The use of labour market policies has been observed throughout the different phases of the COVID-19 crisis, from containment and stabilization to exit from lockdown and employment reactivation (figure 1).

- At the onset of the crisis, priority was given to compensating for income loss owing to redundancies and reduced working hours. In some countries, these mechanisms were expanded to cover workers in nonwage employment and informal jobs through social protection systems and other discretionary fiscal packages.
- During the peak of the crisis, jobs were protected and preserved by channelling active support through measures including recruitment in essential sectors and labour market attachment measures such as skills training, including for new occupations.
- As the health crisis has begun to ease, a number of countries have started relaxing COVID-19 confinement measures. Exit strategies seek to redirect support towards targeted ALMPs, often in combination with fiscal stimulus policies to promote economic recovery and speed up the return to work.

#### ► Figure 1. COVID-19: The labour market policy toolbox



### 2. PES responses to the COVID-19 crisis

International empirical evidence shows that employment services are one of the most cost-effective¹ active labour market interventions aimed at facilitating labour market transitions for workers and enterprises. Since the global economic and financial downturn of 2008–09, PES have become an important point of access for jobseekers, workers and employers to a range of passive and active labour market support mechanisms. In the current crisis, PES operations have been of critical importance in assisting workers and employers dealing with redundancies, furloughs or reduced work schedules.

Assisting clients during the COVID-19 pandemic, however, has required a new and different approach, given the uncertainty of its impact, the extended duration of the crisis and the constraints on service delivery imposed by the need to limit the spread of the virus within PES institutions themselves. The crisis has created massive disruptions in the global economy and labour markets, impelling PES to increase their reactivity and flexibility by:

- adapting delivery and operations to ensure service continuity in the context of the pandemic;
- scaling up capacity to cope with soaring demand for critical services;
- facilitating jobs, promoting labour market attachment and providing employability-oriented support.

## 2.1 Service continuity and adaptation

Like every other government service, PES have been subject to precautionary measures dictated by national authorities since the outbreak of the COVID-19 pandemic. Unlike other crises, this global health emergency presents a double-edged challenge for PES: ensuring operational continuity while observing government health and safety guidelines in the context of COVID-19. Continuity of operations could be seriously disrupted if staff members fell sick at the workplace. While country circumstances varied widely in terms of the extent and severity of the

<sup>&</sup>lt;sup>1</sup> "Cost-effective" means that they achieve similar results to other interventions, but at a significantly lower cost (Quintini and Martin, 2006; Card, Kluve and Weber, 2018).

pandemic, PES everywhere have systematically prioritized the protection of staff and clients.

PES faced the challenge of swiftly reprioritizing, scaling up service capacities and reallocating critical resources to ensure service continuity, while creating safe and secure working environments for their own staff.

#### Enabling a secure office environment

In April 2020, the ILO implemented a global survey of PES responses to COVID-19 in collaboration with the World Association of Public Employment Services (WAPES), the European Commission, the Inter-American Development Bank and Socieux+.<sup>2</sup> Information collected from 72 countries through this survey shows a systematic introduction of one or more of the following measures to minimize risk for both staff and clients, while ensuring core service delivery in the periods when demand for their services increased:

• Temporary closure of premises to the public: 40 per cent of PES surveyed – most of them in high- and upper-middle-income countries – closed their front-desk offices to the public and increased the use of technology-based delivery channels. In several cases, the closure involved more than 50 per cent of the premises, with eight PES (Albania, Belgium (ACTIRIS and Le Forem), Estonia, France, Ireland, Mexico and Spain) temporarily closing all direct access points to the public during partial or full lockdowns.

- Reduction in the number of staff present at the
   office: A large majority of PES considerably reduced the
   numbers of staff in their premises. In Albania, only 30
   per cent of the staff remained working on premises, on
   reduced schedules, to deal with operations requiring
   security protocols such as financial transactions. Other
   PES, including those in Austria, Brazil, Japan,
   Paraguay, Turkey and Zimbabwe, used appointments
   systems to control the flow of clients through their
   premises and avoid crowding.
- Flexible work practices, including teleworking: PES in Croatia, the Republic of Korea, Namibia, Niger and Zimbabwe introduced staff rotation. Some PES granted special leave to categories of workers considered more at risk: for example, Gabon authorized automatic leave for staff with medical conditions and Morocco activated flexible work arrangements for female staff who were pregnant or had dependent children. The adoption of teleworking by PES was more common in advanced economies (box 2).
- Scaled-up hygiene and sanitation at the workplace:
   The vast majority of PES responding to the global survey reported the regular deep cleaning of their premises and the provision of disposables for personal protection (e.g. sanitizer and masks). The Chilean PES produced a workplace safety manual and infection prevention protocols for external partners and clients.

   Mali and Cambodia introduced temperature screening of staff and clients at access points to local offices.

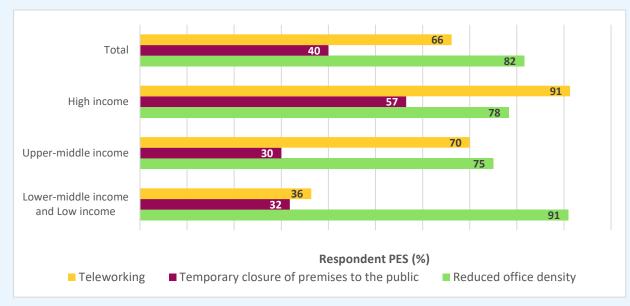
 $<sup>^{\</sup>rm 2}$  For a methodological note on the survey, see Annex II.

#### ► Box 2. COVID-19: PES teleworking arrangements

Teleworking for PES staff was more common in highand upper-middle-income countries. In **Denmark**, all public-sector employees not performing critical functions were working from home at the time of the survey, and in **Romania** working from home was introduced for staff most at risk. Nonetheless, PES in countries at the low and lower-middle income thresholds such as **Mali**, **Congo** and **Niger** reported having teleworking in place before the pandemic (figure 2). Low use of teleworking may reflect a lack of information and communications technology (ICT) infrastructure, making it difficult for PES staff to work remotely. Reducing the number of staff present at

premises (office density) was an alternative way to enforce social distancing while ensuring continuity of service provision during lockdowns. Another possible explanation could be that precautionary measures at the workplace were stricter in high- and upper-middle-income countries than in low- and lower-middle-income countries, given the differentiated spread of the virus across regions. Following the pandemic, however, a few PES in low- and lower-middle-income countries are considering implementing teleworking in the next six to twelve months; these include **Bolivia**, **the Democratic Republic of Congo, Gabon** and **Haiti**.

#### ► Figure 2. Application of flexible plans to reorganize internal operations at PES premises (%)



Note: Country classification by income level according to World Bank, 2019 (See <a href="https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups">https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups</a>

Source: ILO et al., 2020: 79 PES were surveyed; generating 65 valid responses (see Annex III).

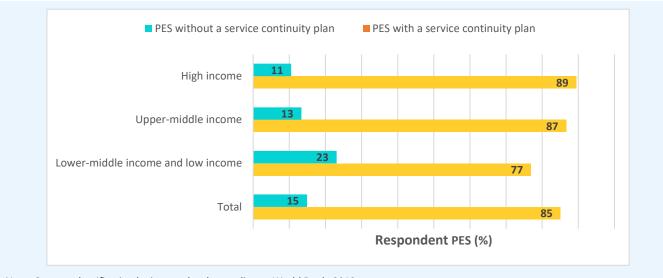
#### Crisis management plans

### Crisis management plans have been critical to service continuity, particularly in developed countries.

Crisis management has been a priority for PES during the pandemic. Unpredictable work conditions and a sudden increase in demand for core services increased pressure on PES staff. An effective service continuity plan has been a key component in PES response to ensure operational

continuity, maintain staff morale and safety, and cope with additional demand from essential services sectors. Figure 3 shows that 85 per cent of PES that responded to the global survey on PES and COVID-19 declared that they had implemented service continuity plans (ILO et al., 2020). Overall, about three-quarters of PES in low- and lower-middle-income countries surveyed had implemented such plans, compared to nine-tenths of the higher-income groups.

#### ► Figure 3. PES with a formal service continuity plan (percentage)



Note: Country classification by income level according to World Bank, 2019. Source: ILO et al., 2020: 79 PES were surveyed, generating 49 valid responses (see Annex IV).

### Service continuity plans will continue to evolve, given the uncertainty surrounding the pandemic.

Planning and adapting service delivery has taken on a different dimension in the context of the COVID-19 pandemic, given the high degree of uncertainty around its evolution. For instance, crisis management teams needed to consider that the pandemic conditions could change quickly and without notice, and to be able to reprioritize, reorganize and redeploy resources and staff accordingly. The plans they constructed need to evolve throughout the various phases of the pandemic, from the outbreak and emergency stages to the post-lockdown recovery phase of uncertain duration, including provision for relapses or new virus outbreaks. Medium- and long-term action needs to be aligned with the overall strategy of the PES and, so far as possible, maintain its commitment to work on

### 2.2 Scaling up capacity in critical services

### Critical processes and functions were prioritized to cope with the rise in demand.

During the first weeks of the COVID-19 emergency and throughout the duration of the pandemic, PES scaled up capacity to meet the steeply rising workload and respond to strong variations in demand for critical services. Tactical decisions had to be taken on a variety of issues, including hiring new temporary staff and reallocating existing staff

expanding channels for service delivery. PES must therefore remain agile and respond to new exigencies.

- During the emergency phase of the pandemic, the local PES of the State of Bavaria in Germany sent updates on the evolution of demand for core services to local agencies twice a day to improve responsiveness (OECD, 2020a).
- Estonia established a crisis committee responsible for adapting protocols to daily variations in service demand. Staff were reallocated daily in response to changing conditions, and new counsellors were hired in regions where the unemployment rate was expected to increase rapidly and substantially. Local offices also introduced co-working software to ensure fluid internal communication and kept staff working from home informed about developments.

members; reprioritizing and streamlining processes, including easing eligibility rules on accessing support; building a broader ecosystem around delivery; and adopting or upgrading technology-based systems.

The ability to identify essential processes in the early stages of the COVID-19 crisis allowed **PES to reassign and reprioritize their human resources by means of temporary hires, reallocations and use of loaned staff.** 

 In Iceland and Switzerland, staff who usually performed counselling and recruitment tasks temporarily supported the processing of unemployment benefit claims. Other services under pressure included the processing of short-time work applications; in some countries, such as **Austria**, specific task-force teams were established to handle these. The PES in **Germany** temporarily extended working time to ensure continuity of service; in addition, local offices received temporary support from vocational trainees and students registered with the PES University. The Federal Office for Migration and Refugees also supported the PES with loaned staff.

 Finland allocated additional funds to the PES for hiring new staff and ensuring timely support of clients. In the Netherlands, the PES reorganized working teams composed of both existing staff and new hires on a temporary basis to process applications from employers requesting support to cover labour costs. In the Republic of Korea, the PES recruited additional regular and temporary workers and converted parttime staff into full-time workers.

### Some PES created centralized COVID-19 customer information resource centres to reduce staff workload

in connection with the provision of information, advice on services and critical updates on matters such as changes in operational rules and channels for accessing services. In some cases, these activities were managed through toll-free phone numbers.

- Approaches varied from static information displaying lists of frequently asked questions, including advice and updates on changes in service rules and policies, to conversational online chat services, as for example in France. Irrespective of their degree of sophistication, these centres enabled PES to clarify what type and level of service clients should expect, thereby so far as possible avoiding frustration and disappointment.
   Other PES, for example in Colombia, used social media to broadcast alerts and updates to clients.
- The Government of Australia established a dedicated resource centre on employment services, accessible online, for jobseekers, and a similar mechanism to help private and third-sector employment service providers adapt delivery to changes in service protocols and eligibility rules related to the pandemic.

## PES adapted rules on eligibility and access to benefits to accommodate the special circumstances of the COVID-19 crisis.

In countries with unemployment benefits, PES are often responsible for critical aspects of processing claims and monitoring the jobseeking activity of beneficiaries. Given the severe effects of the pandemic on jobs,

unemployment benefits represent a critical source of income for workers who have been laid off or are working reduced hours. Prior to the outbreak of COVID-19 many countries, emerging from the global financial crisis of ten years previously, had tightened controls on the payment of unemployment benefits and prioritized a speedy return to employment for those out of work. As the current crisis took hold, providing immediate income relief became an overriding priority in the face of a massive rise in unemployment following the temporary shutdown of sectors representing a major source of employment in many countries, including services, tourism and manufacturing. Countries responded to this imperative in a variety of ways:

- the filing of claims was simplified and conditions for payment were significantly relaxed in Azerbaijan,
   Colombia, Morocco, Tunisia and Ukraine;
- in Croatia and Romania, the PES simplified procedures for submitting, by post or e-mail, the necessary documents for validating unemployment claims;
- France and Mauritius waived job-search requirements and corresponding sanctions during lockdown; the Republic of Korea maintained the job-search requirement but reduced the waiting time for validating applications of claimants affected by COVID--19.

#### A broader ecosystem to improve responsiveness

PES are building a broader ecosystem to scale up capacity, establishing cooperative relationships and joined-up provision with other government agencies and specialist providers, including unemployment insurance funds, social protection systems, private employment agencies and training services. During the pandemic, such partnerships have helped PES to cope with the backlog of cases and increased their responsiveness.

- In the Republic of Korea, local employment offices launched a collaboration with local employers' associations to process files related to employment retention subsidies. Both sets of bodies responded to questions from employers and advised them on subsidies and eligibility criteria, in addition to providing information on how to process applications.
- The PES of Chile worked with municipalities on job intermediation and setting up agreements with private employment agencies.

In the **United States**, the number of citizens claiming unemployment benefits soared to a record of 24 million

applications between 21 March and 18 April 2020. This represents 13.5 per cent of the total labour force (US Bureau of Labor Statistics, 2020). To scale up capacity, the State of New York entered into a partnership with Google and other private-sector providers to meet demand for services (box 3).

► Box 3. New York State Department of Labor partners with Google to meet peak demand for unemployment services

In the State of New York, according to figures provided by the State's Department of Labor (NYDOL), the unemployment insurance filing system faced a 16,000 per cent increase in phone calls and a 1,600 per cent increase in web traffic in March–April 2020, compared to normal weeks before the crisis (US Bureau of Labor Statistics, 2020). This sudden increase in demand overwhelmed the NYDOL phone lines and caused its website to collapse (Lovelace, 2020). To increase the capacity to meet the demand for unemployment insurance, the NYDOL established a public–private partnership with a number of private-sector companies, including Google, Deloitte and Verizon (New York State Department of Labor, 2020).

Google Cloud, one of the tech company's subsidiaries, worked with the State's Office of Information
Technology Services to help it leverage its infrastructure, handle a high volume of users and "create a more user-friendly, streamlined, and reliable unemployment insurance application" (New York State Department of Labor, 2020). Some of the main upgrades include the options to save an incomplete application and return to it later, and to use it on mobile devices such as smartphones and tablets; and streamlining the number of questions to make the application shorter and easier to understand. Meanwhile, Deloitte opened an additional call centre staffed by hundreds of

experienced customer service professionals to meet users' demand, and Verizon expanded the number of NYDOL call centre "ports" from 1,750 to over 10,000.

# 2.3 Use of technology-based delivery during the COVID-19 crisis

Most PES moved their intermediation services and labour market programmes online or provided them by telephone.

Technology-based delivery channels have proven useful, indeed necessary, to ensure PES offices can continue to provide core services during the COVID-19 crisis. During the emergency phase of the pandemic, PES with preexisting ICT-based infrastructure relied heavily on digital and telephone services, particularly in countries where governments imposed significant restrictions on the movement of people as well as rules on physical distancing.

• Spain experienced one of the longest and most stringent lockdowns. During this period of confinement, the PES used remote channels to provide core services, including general information, processing of benefits (e.g. for unemployment and maternity/paternity leave), personal data updates (e.g. bank account details) and registration of job vacancies. Local employment offices relied heavily on the online jobs portal, a toll-free number for jobseekers and the "virtual office desk" that was activated to adapt service provision to COVID-19 circumstances. In addition to managing a virtual appointment system, the PES also extended its telephone service business hours to run from 8 a.m. to 8 p.m. to cope with the flood of enquiries from jobseekers and employers. (Prior to the COVID-19 crisis the service ran from 8 a.m. to 2 p.m.)

PES that had invested in technology for service delivery before the crisis, and those with a clear digital transformation strategy, were better prepared to respond rapidly to COVID-19 challenges.

• In 2018, Estonia adopted a multi-channel service delivery strategy, giving clients a broader range of ways to access employment services (e.g. proactive online applications, webinars, online conversational chats, telephone and e-mail). With the adoption of a roadmap to digitalize the PES, service design has been supported by IT developers to simplify processes and allow real-time responses. Prior to the COVID-19 outbreak, the Estonian PES was able to process each unemployment insurance claim in less than a minute, and additional adjustments helped it to cope swiftly with the large

volume of claims received during the pandemic. The PES could also adapt or complement existing remote channel provision almost immediately. For example, online career services by video and conversational web chat were extended to groups of jobseekers and people who had lost their jobs owing to COVID-19 (Kõrreveski, 2018: ILO et al., 2020).

Live video and other online communication tools for free calls and chat have proved to be a good low-cost way to provide information and advice to clients, including target groups.

- The Indian and Uruguayan PES encouraged registration of jobseekers and job advertisements through their online job portals, which also provided access to training and job fairs online. India also had "work from home" jobs posted on a dedicated page (Government of India, 2020). In Slovenia, the PES increased support via the job portal that prior to the pandemic was already offering a number of services such as registration, job-matching, self-assessment and counselling. The Chinese PES facilitated remote interaction between counsellors and clients during COVID-19 via an online chat system called "WeChat Official Accounts", which was introduced prior to the pandemic (Government of the PRC, 2018).
- In the Netherlands, the PES arranged video meetings and conducted webinars with clients. During the lockdown phase of COVID-19, the PES increased the capacity and frequency of these webinars after their growing popularity among jobseekers. About 800 participants could simultaneously connect from home and engage with counsellors on the support and

- resources available to keep them connected to the labour market (WAPES, 2020b).
- The **German** PES and the Federal Ministry for Family, Senior Citizens, Women and Youth jointly manage a job portal fully dedicated to helping women who want to find jobs following career breaks.<sup>3</sup> A number of information resources are available online, ranging from job vacancies and e-learning tools to information on child-care facilities, and including service advice and critical updates on COVID-19.

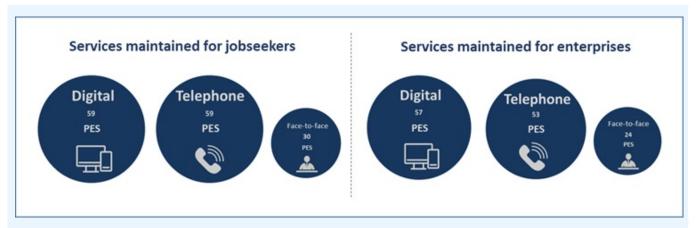
Other PES, in countries where only physical distancing measures, rather than strict lockdowns, were implemented, maintained face-to-face desk-based services. Compared to those using digital and telephone service delivery, only a relatively small number of PES continued to rely on face-to-face support (figure 4). In these cases, PES operated an appointments system and controls to shorten queues, in combination with other delivery methods such as telephone, to meet the needs of clients with complex employability barriers or who were unable to travel to employment offices.

- The Moroccan PES used mobile units to reach clients in remote rural and urban areas. These units were staffed by counsellors specifically trained to serve groups of the population not able to reach the PES remotely. The range of services provided included information on job offers, including international placement, and support to start a business or a cooperative (WAPES, 2020a).
- While the PES in Sweden prioritized initial contacts with clients using remote delivery channels, desk-based support was maintained to ensure continued provision of secure service access to clients with low digital skills.

<sup>&</sup>lt;sup>3</sup> http://www.perspektive-wiedereinstieg.de/ [31 July 2020].

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### ▶ Figure 4. Proportional use by PES of digital, telephone and face-to-face service delivery for jobseekers and enterprises during the COVID-19 crisis



Note: 79 PES were surveyed, generating 66 valid responses. Source: ILO et al., 2020.

Service continuity during the crisis has not been maintained exclusively by information technologybased infrastructure. Also of critical importance have been good internal management processes and responsiveness in coordinating efforts efficiently with providers, partners and other governmental agencies involved in the delivery of services. The Peruvian CERTIJOVEN system illustrates the relationship between the use of technology and recognition of the need to streamline processes to facilitate young people's jobsearching efforts in the formal labour market (box 4).

### ► Box 4. Peru: Reducing job-searching time and costs during COVID-19

Prior to the COVID-19 crisis, the Peruvian PES implemented the CERTIJOVEN system to help young jobseekers aged 18-29 to apply for jobs in the formal employment market. The centrepiece of this service is a single document providing all the necessary background information employers normally request from young people applying for jobs, such as national identity number, criminal record checks, level of academic achievement and proof of past work experience. Before the system was implemented, job applicants had to collect this information from at least seven different government agencies, making the process lengthy and costly. CERTIJOVEN is based on an interagency sharing of information about individuals that involves biometric validation technology

(fingerprint and face recognition), interoperability protocols and a digital signature to allow access online. Job applicants not only can access this information instantly and remotely, but save time and money otherwise spent in travelling to different government offices and paying administrative fees. It is estimated that savings averaged US\$42.50 for each requested search. During the COVID-19 lockdown, the PES extended the service to all jobseekers. Scaling up this facility not only reduces job-search and hiring time and costs, but also improves transparency and promotes open dialogue processes to build employers' trust in the system. Moreover, the extension of CERTIJOVEN services to other jobseekers freed up counsellors' time to support other critical services during the crisis.

Source: Government of Peru. 2020

Adapting service delivery to the needs of clients was another key factor driving the decision to maintain face-to-face operations. For example, in Bulgaria the PES maintained a desk-based service in recognition that the majority of its clients have no digital skills, and a mixed approach has proved more effective. The PES in Paraguay, despite being the only one in Latin America with a job-matching platform supported by artificial intelligence, also continued offering face-to-face support as a vast majority of the jobseekers who use it are lowskilled and face multiple barriers to secure labour market attachment.

# 3. Facilitating jobs and maintaining labour market attachment through ALMPs supported by PES

ALMPs and PES are playing an important part in cushioning income losses, protecting existing jobs and facilitating employment in sectors still in operation during lockdowns. While it is true that active support has a stronger role to play during the reactivation of economic activity, these interventions have been used as part of the overall response to the COVID-19 crisis, often in combination with passive policies. In the majority of advanced economies, PES remain one of the main access points to unemployment benefits and job preservation schemes.

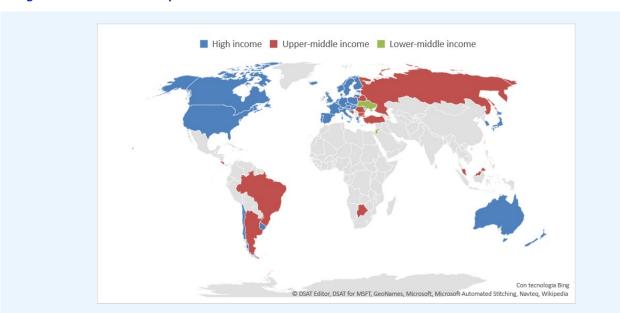
Both at the onset of the crisis and throughout the pandemic, national policies have given priority to channelling income compensation for workers and reducing the risk of more job losses through:

- job preservation programmes;
- supported recruitment for industries and sectors still in operation; and
- employability-oriented services to maintain labour market attachment and also to ensure workers can be quickly reallocated from one job to another.

## 3.1 Job preservation: Temporary short-time work compensation

As a policy instrument, temporary short-time work compensation has been applied in previous crises to avert lay-offs while giving employers the option of reducing working hours in the face of temporary declines in business activity. In the context of COVID-19, short-time work compensation has been used primarily as a massive transfer programme for workers affected by the sharp reductions in economic activity resulting from containment measures (Mosley, 2020). Short-time work (STW) schemes are usually linked with the unemployment insurance system or special employment funds to partially cover subsidies for wages. Workers typically receive 60-70 per cent of their salaries, while employers can maintain their workforce when business activity picks up without incurring new hiring or training costs. Given the cost of these programmes, special COVID-19 STW schemes were mainly available in advanced economies (figure 5).

#### ► Figure 5. Countries with special COVID-19 short-time work schemes



Note: Information publicly available as of 20 May 2020 for 49 countries (Annex V). Source: Author's elaboration based on ILO, 2020C; KPMG, 2020; OECD, 2020b.

During the pandemic, design adaptations to STW schemes have been focused on expanding coverage and relaxing eligibility criteria. Some countries have increased both the duration of the scheme and the replacement rate (proportion of wages paid) for working hours compensated as a way to encourage employers to use the facility and stimulate the purchasing power of affected workers beyond essential needs (Giupponi and Landais, 2020). Most workers and enterprises on STW are likely to be in non-essential sectors and industries, without remote working capabilities.

### In some countries, PES operate STW directly or support its implementation. For example:

- **Slovakia** is using PES infrastructure and staff to operate the COVID-19 STW programme. This is one of the major interventions implemented by the Ministry of Labour, Social Affairs and Family to stabilize the labour market, targeting enterprises of all sizes and also the self-employed. The replacement rate amounts to 80 per cent of average wages, up to a ceiling.
- The Austrian PES administers the STW programme, which also covers young people in apprenticeships. In Switzerland, STW compensation was extended to cover workers with fixed-term employment contracts and workers in "on-call" employment, on condition they have been working for the same employer for at least six months.
- In the Republic of Korea, the PES receives applications for STW (employee retention subsidy) from employers and arranges payment. This programme is also available to micro and small enterprises for up to three months, with the Government covering 90 per cent of employees' wages (Government of the Republic of Korea, 2020a).

To simplify the functioning of STW, the majority of countries have waived job retention conditions. This is a major difference from the implementation of STW during the 2008–09 global economic and financial crisis. As physical distancing measures are gradually being relaxed, some countries are introducing modifications or new programmes to take over from STW schemes activated during the emergency phase of the pandemic. For example:

 Canada announced in May 2020 the Emergency Wage Subsidy programme to enable employers to rehire workers previously laid off due to COVID-19. The subsidy covers up to 75 per cent of salary and is aimed at preventing further job losses while allowing

- enterprises to position themselves better to resume normal operations following the crisis (ILO, 2020c).
- Australia is similarly using the JobKeeper payment to lay the foundations for a stronger economic recovery by extending support to enterprises and not-for-profit organizations, including charities and the self-employed

   albeit under certain conditions. The programme also responds to the circumstances of workers with multiple jobs (on incomes below a defined threshold) and people made redundant because of the COVID-19 crisis and rehired by the same employer (Government of Australia, 2020a).

PES are likely to be in great demand to support the reactivation and reallocation of workers on STW as economies recover. During the COVID-19 pandemic, the STW replacement rate has been above the minimum wage, putting welfare systems under great pressure, particularly in countries with large STW coverage, such as Germany. According to estimates based on applications by employers in early May 2020, up to a quarter of the German workforce may be on STW. Further pressure on welfare systems is a serious concern for policy-makers, as many enterprises using STW are downsizing owing to recessionary conditions brought on by the crisis, with increasing numbers of former workers claiming unemployment insurance benefits. In the case of Germany, job losses have been experienced particularly as a result of downsizing and restructuring in the automotive, hospitality and travel industries. The PES is expected to be prepared to support jobseekers to move into sectors with better job prospects, such as pharmaceuticals (Martin, 2020).

### 3.2 Recruitment in essential sectors

PES were central to meeting the urgent need for workers in essential sectors and services during the crisis.

PES and private employment agencies are helping people to stay connected with the labour market and facilitating access to jobs in sectors and industries still recruiting amid the pandemic. Industries such as energy and utilities, health care, food, ICT, water, transportation, safety and government have all experienced a sharp increase in demand for labour. For those sectors still recruiting during the pandemic, PES are providing dedicated job-matching services, delivered for the most

part through web-based job-matching systems, telephone and call centres, online chat and video conferences, along with some limited face-to-face interaction respecting social distance protocols.

- In France, the Government created an online jobmatching web portal to facilitate recruitment in crop and animal farming in the absence of the 200,000 foreign seasonal workers who usually come from Tunisia, Morocco and some eastern European countries. This portal has been extended to other sectors in need, including health, agri-food, energy, logistics, home help services and telecommunications.<sup>4</sup>
- The National Employment Directorate of Paraguay has set up a temporary task force to facilitate filling vacancies in jobs for which demand is highest owing to COVID-19, many of which are concentrated in logistics, transportation, pharmacies and home delivery services.<sup>5</sup>
- Australia launched the Jobs Hub website to help
   Australians find work during the COVID-19 pandemic,
   as well as a dedicated job portal for people with
   disabilities. The hub offers a range of resources to help
   people easily identify jobs matching their skills and also
   to broaden their range of job options (Government of
   Australia, 2020b). In Luxembourg, the PES launched an
   online job portal, JobSwitch, to speed up recruitment of
   temporary workers in essential sectors (Chamber of
   Commerce Luxembourg, 2020).
- In the United States, both the National Labor Exchange (NLx) and some individual states, such as Arizona, established dedicated portals to facilitate matching of jobseekers and vacancies during the pandemic. The NLx portals were targeted at jobseekers who had been displaced and wanted jobs in sectors that were hiring (NeedAJobNow) as well as those who wanted to work from home (Virtualjobs). The State of Arizona's objective of the "Arizona@Work" programme was to provide a rapid response and avoid lay-offs by offering businesses a dedicated service (NASWA, 2020).

# 3.3 Maintaining employability and labour market attachment: Sustaining jobs and skills

Maintaining people's job-readiness has been an important dimension of PES services during the pandemic.

Employability-oriented services deal with the ability to search for jobs, update a resumé, and locate and understand labour market information. Another important dimension of maintaining people's jobreadiness is fostering the ability to update and refresh competencies and skills to perform tasks in a job, which will be all the more relevant in the post-coronavirus context. According to global estimates, a third of the skills deemed essential in today's job market have changed in the last five years (WEF, 2016). This process is likely to accelerate owing to the effects of COVID-19 on demand for skills in a number of occupations and sectors. Some countries have reinforced support for target groups in need of improving and/or acquiring digital skills to keep themselves afloat in the job market.

- Singapore launched a special support grant for lowand middle-income unemployed workers affected by the COVID-19 crisis. The grant is linked to job-searching support and training by the national training provider, Workforce Singapore, or the Employment and Employability Institute, delivered through virtual classrooms and e-learning) (Government of Singapore, 2020).
- The Government of Australia is allocating additional funding for jobseekers aged 45 and above to increase access to training and job-search support, improve digital literacy and identify transferable skills (ILO, 2020c).
- The Ministry of Labour and Social Protection of Russia announced special subsidies for people at risk of dismissal and part-time workers, as well as providing access to advanced vocational training or apprenticeship/internship programmes (ILO, 2020c).
- The **Danish** Government adopted an "upskilling instead of dismissal" strategy. Targeted online training by the Agency for Labour Market and Recruitment is provided to avert lay-offs, and affected employers are

<sup>&</sup>lt;sup>4</sup> https://mobilisationemploi.gouv.fr/ [31 July 2020].

 $<sup>^{\</sup>mathtt{5}}$  Information provided in telephone call with head of PES, Government of Paraguay.

reimbursed for the salaries of workers they continue to employ under this scheme.

Digital technology, when in place, eased access to free skills training, online learning tools and resources while physical distancing protocols were in place. So far as possible, PES have used free online tools and resources to support jobseekers and active workers alike in combining down-time with training in order to prevent disengagement from ongoing job training programmes. Online access to skills training and learning resources also has the aim of developing and maintaining the ability of individuals to learn and adapt, skills that can make a big difference to successful reintegration in the labour market. Some countries had already installed capacity to expand access to such resources, while others have seen the importance of mobilizing human and financial capacity to develop flexible and low-cost training.

- The Republic of Korea launched the Smart Training and Education Platform, STEP (step.go.kr), in November 2019. This is a learning management system which offers jobseekers access to open-source content that is relevant to many different industries and sectors. During the pandemic a virtual classroom was introduced to allow regular training courses to take place. STEP will be further enhanced during the second part of 2020 to allow training providers to offer feepaying courses covering a wider range of subjects and delivery modalities.
- France used the job portal Emploi Store to scale up capacity to offer skills training and learning resources, adding more than 150 new distance-learning courses, both free and fee-charging, funded by the Skills Investment Plan.

In Brazil, the Ministry of Economic Affairs created a
jobs web portal that allows entrepreneurs and workers
alike to gain access to more than 700 online training
and professional qualification courses offered free of
charge by public and private training providers. Other
countries, such as Ecuador, implemented similar
approaches, in which PES are planning strategic
alliances with other partners to provide free online
training and strengthen the skills and employability of
jobseekers.

### 3.4 Inclusive approaches

In the short term, some countries applied inclusive approaches to encourage labour market attachment and job retention.

- In Italy, child-care vouchers were available to working parents with infants during the lockdown. This aid has been extended beyond the lockdown to support return to work as economic activity picks up.
- Other countries complemented already functioning systems of gender mainstreaming in employment centres with special aid and support related to COVID-19. In the Republic of Korea, for example, the PES worked closely with the occupational centre for women to link job-search support and training with a special maternity leave allowance and child-care subsidies for eligible individuals registered with the employment centre. Employers also received a subsidy from the PES when authorizing special family leave for female employees. Financing for dedicated COVID-19 subsidies comes from the Ministry of Employment and Labour.

# 4. The way forward: Employment services and labour market policies as a bridge from immediate measures to a job-rich recovery

 Unprecedented labour market disruptions require timely and large-scale support for enterprises and workers around the world. The ILO calls for urgent and immediate policy responses to actively support transitions into decent work and prevent a significant drop in labour market participation. Governments need to provide comprehensive solutions that combine elements from all four pillars of the ILO policy framework for responding to the COVID 19 crisis: (1) stimulating the economy and employment; (2) supporting enterprises, jobs and incomes; (3)

- protecting workers in the workplace; and (4) seeking solutions through social dialogue.
- Given the critical role labour market policies and employment services have played in this and past crises, countries should maintain or increase funding for PES and ALMPs providers as lockdowns are eased and recovery begins, to support effective transitions in the labour market. This pandemic is likely to bring lasting changes to a labour market that was already undergoing rapid transformation. Learning from the global financial crisis of 2008, any tendency to drastically reduce the budgets and staff of PES institutions as part of fiscal consolidation measures should be avoided. The main challenge, however, for many developing and emerging countries, is the increasing debt and reduced fiscal space they have to grapple with. International solidarity support, fiscal reprioritization and policy financing from regional development banks could be leveraged to ensure financing of critical ALMPs (ILO, 2020c).
- Job-matching and active support are the more important labour market policies during recovery, and should be integrated and sequenced with employment policies, including macroeconomic and sectoral policies. Past crises have demonstrated that active measures such as job-search support, upskilling and reskilling, as well as assistance with labour mobility, facilitate the redeployment of laid-off workers. Employment services have proven instrumental in maintaining people's attachment to the labour market, speeding up job-matching when economic activity picks up again as well as indirectly contributing to a faster recovery. As economies emerge from the current crisis, workers who cannot return to their jobs and those who were in temporary repurposed industries will have to be helped to find other jobs, some of which may require help in relocating to other regions. Enterprises will need faster and more efficient recruitment services to meet rising demand during the recovery period, and will rely on the services of employment service providers to assist with this.
- Navigating the labour market during COVID-19 has become even harder for some groups in the labour force that were already facing specific vulnerabilities. Inclusive policies promoting labour market participation over the life course can prevent

- the emergence of a "lockdown generation". Particularly vulnerable are young people seeking to enter the labour market, older workers who need to stay active in the labour force for longer, and women in vulnerable situations who face obstacles to the enjoyment of equal opportunities, participation and treatment at work. Inclusive and gender-responsive ALMPs should be prioritized to ensure that the disadvantaged groups do not fall further behind.
- The COVID-19 crisis has also revealed gaps in the institutional capacity of countries to deal with massive lay-offs, particularly where the informal economy accounts for a large proportion of the labour market. Low- and middle-income economies, which are home to nearly 2 billion workers<sup>6</sup> in informal jobs, are experiencing particularly severe challenges to the protection of workers' jobs and incomes owing to the unavailability of unemployment benefits and comprehensive social protection programmes in the informal economy. In these contexts, PES have often had limited institutional machinery to make job preservation interventions during the pandemic. However, great potential exists for innovative design of services and programmes that responds to the needs of emerging sectors and involves the social partners to facilitate targeting. Governments and social partners should invest more in building the capacity of PES to extend services to the informal economy.
- Bridging emergency support to employers and workers with the recovery phase will require innovative financing for PES and ALMPs. Beyond emergency stimulus measures implemented or announced during the COVID-19 crisis, the challenge for a large majority of developing countries is to mobilize sources of financing effectively to implement large labour market programmes. Activation policies to support existing and newly unemployed workers are one way to prevent further polarization of skills and income, which are also essential to inclusive growth.
- An important missing piece of the system for many developing countries is integrated design and implementation of social protection and active labour market policies. Evidence from advanced and emerging economies, confirmed during the current crisis with its massive cash transfers, shows that ALMPs are an instrument of critical importance in stabilizing

<sup>&</sup>lt;sup>6</sup> The term "workers" is used here to refer to all people in employment: employees, independent workers with or without employees and contributing family workers (ILO, 2020d).

- workers' lives when an economic crisis hits, preventing further job losses during a recession and preparing the workforce to take up jobs in the recovery. Actively involving employers in this process can develop muchneeded fluidity in the job market and facilitate access to jobs. In many emerging and developing economies, however, the link between ALMPs and social protection measures is missing or weak; this should be a priority area for ILO support to its constituents.
- One promising response from PES is the adoption of integrated approaches supported by closer collaboration across government agencies and specialist providers at national and local levels. One important adaptation of these programmes to the particular context of COVID-19 is the combination of services to address both direct barriers to employability and other challenges affecting job-readiness, including poor literacy, long-term illness, and housing and financial constraints. Public-private partnerships will continue to play a critical role in the aftermath of the pandemic and during recovery, particularly in

- developing countries where fiscal space and institutional capacity are limited.
- Investing in service digitalization should be considered a priority for PES; in the near future, it will be crucial to provide effective remote support to clients. Physical distancing measures are likely to remain in place for a long period in many countries. At the same time, PES will have to cope with an increasing number of unemployed people in need of guidance and advice. PES that had already embarked on digital transformation before the COVID-19 crisis were in a better position to ensure remote access to services while physical distancing protocols were enforced. Nonetheless, measures should be put in place to ensure that those facing barriers to enter the labour market are not further excluded from new digital channels, by means of focused training and support as well as implementation of a blended delivery strategy. In developing countries with limited digital infrastructure and internet penetration, appropriate adoption of technology is recommended.

## Annex I. Relevant instruments, target groups and intended effects of ALMPs

Target areas	Aim	Instruments	Targeted Workers*	Intended effects
Labour demand	Provide incentives for retaining employment	Work-sharing and short-time working		Reduce outflow from employment
		Wage subsidies  Hiring subsidies		Retain labour market attachment
Lubour demand				Increase inflow into employment
	2. Provide incentives for creating employment	Business start-up support	Outsider	Increase labour market attachment
	3. Provide incentives for seeking and keeping a job		Insiders and outsiders	Increase inflow into employment by strengthening work incentives
		In-work benefits, subsidies, tax credits		Reduce outflow from employment
		credits		Increase labour market attachment Provide income support
		Public works	Outsiders	Increase inflow into employment by strengthening work incentives
Labour supply				Increase labour market attachment
				Provide income support
		Activation and work fare Sanctions	Outsiders	Increase inflow into employment by strengthening work incentive
	Provide incentives for human capital enhancement	On-the job training Classroom training	Insiders and outsiders	Increase inflow into employment
				Increase productivity
				Improve job-matching quality
	5. Improved labour market matching	Job-search assistance	Outsiders	Improve job-search efficiency
				Increase inflow into employment
Labarra		Employer intermediation services	Insiders and outsiders	Improve job-search efficiency
Labour matching				Improve job-match quality
				Increase inflow into employment
		Counselling and monitoring	Outsiders	Improve job-search efficiency
				Increase inflow into employment

<sup>\* &</sup>quot;Insiders" refers to workers who are currently employed; "outsiders" refers to unemployed (in the long or short term), discouraged, informal and inactive workers.

Source: Brown and Koettl, 2015, table 2, p. 3

# Annex II. Joint survey on public employment services during COVID-19

On April 2020, the International Labour Office, together with the World Association of Public Employment Services (WAPES), the European Commission, the Inter-American Development Bank and SOCIEUX+, launched a global survey to assess the impact of COVID-19 on public employment services. The survey targeted 120 national PES and focused on four main areas:

- 1. preventive and economic support;
- 2. service maintenance;
- 3. service organization; and
- 4. current or foreseeable challenges related to labour market functions and service delivery.

By 25 May 2020, the survey had collected information on 79 PES in 72 countries. The list of respondents is presented in the following table by income level:

Income level	Countries
High income	Australia, Austria, Belgium (ACTIRIS, ADG, Le Forem, VDAB), Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Ireland, Italy, Japan, Republic of Korea, Netherlands, Norway, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, United States, Uruguay
Upper-middle income	Albania, Algeria, Argentina, Belize, Bosnia and Herzegovina, Brazil, Bulgaria, China, Colombia, Costa Rica, Croatia, Ecuador, Gabon, Kazakhstan, Malaysia, Mauritius, Mexico, Montenegro, Namibia, Panama, Peru, Romania, Sri Lanka, Thailand, Turkey
Lower-middle income	Armenia, Bolivia, Cabo Verde, Cambodia, Congo, Côte d'Ivoire, El Salvador, Guatemala, Kenya, Mauritania, Morocco, Senegal, Tunisia, Zimbabwe
Low income	Afghanistan, Benin, Burkina Faso, Chad, Democratic Republic of the Congo, Haiti, Mali, Niger, Togo

<sup>\*</sup> Country income classifications according to the World Bank for fiscal year 2019.

# Annex III. Application of flexible plans to reorganize internal operations at PES premises

Summary of responses to the joint survey on public employment services during COVID-19 (ILO et al., 2020), section on services organization measures, question 15: "Have you taken measure to reduce worker exposure to COVID-19 in the workplace?".

A total of 79 PES were surveyed generating 75 valid responses.

	Country/PES and income level	Teleworking	Temporary closure of premises to the public	Reduced office density	Others
	Australia				
	Austria				
	Belgium (ACTIRIS)				
	Belgium (ADG)				
	Belgium (Le Forem)				
	Belgium (VDAB)				
	Chile				
	Denmark				
	Estonia				
	Finland				
ome	France				
-inco	Germany				
High-income	Ireland				
_	Italy				
	Japan				
	Netherlands				
	Portugal				
	Republic of Korea				
	Slovenia				
	Spain				
	Sweden				
	United States				
	Uruguay				
	Albania				
	Algeria				
Upper-middle income	Argentina				
	Bosnia and Herzegovina				
	Brazil				
	Bulgaria				
	China				
	Colombia				
	Croatia				
	Ecuador				
	Gabon				

	Country/PES and income level	Teleworking	Temporary closure of premises to the public	Reduced office density	Others
	Kazakhstan				
	Malaysia				
	Mexico				
	Montenegro				
	Namibia				
	Romania				
	Sri Lanka				
	Thailand				
	Turkey				
	Cabo Verde				
	Cambodia				
	Congo (Congo-Brazzaville)				
	Côte d'Ivoire (Agence emploi Jeunes)				
ıme	Côte d'Ivoire (Direction Générale de l'Emploi)				
inco	El Salvador				
Lower-middle income	Guatemala				
Ë	Kenya				
owe	Mauritania				
	Morocco				
	Senegal				
	Tunisia				
	Zimbabwe				
	Bolivia				
	Benin				
	Burkina Faso				
ā	Chad				
соп	Democratic Republic of the Congo				
Low income	Haiti				
으	Mali				
	Niger				
	Togo				

### Annex IV. Service continuity plan

Summary of responses to the joint survey on public employment services during COVID-19 (ILO et al., 2020), section on services organization measures, question 7: "Has a service continuity plan been formalized and implemented?".

A total of 79 PES were surveyed generating 49 valid responses.

Income level	Countries with a service continuity plan	Countries without a service continuity plan
High income	Australia, Austria, Belgium (ACTIRIS, ADG, Le Forem, VDAB), Estonia, Finland, France, Germany, Ireland, Republic of Korea, Netherlands, Portugal, Slovenia, Sweden, United States	Italy, Japan
Upper-middle income	Albania, Algeria, Argentina, Bosnia and Herzegovina, China, Croatia, Kazakhstan, Malaysia, Mauritius, Montenegro, Namibia, Romania, Turkey	Mexico, Thailand
Lower-middle income	Cabo Verde, Congo, Mauritania, Morocco, Tunisia	El Salvador, Kenya
Low income	Democratic Republic of the Congo, Haiti, Mali, Togo	Chad

<sup>\*</sup> Country income classifications according to the World Bank for fiscal year 2019.

# Annex V. Countries with special COVID-19 short-time working support

Income level	Countries
High income	Australia, Austria, Belgium, Canada, Chile, Czech Republic, Croatia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Japan, Republic of Korea, Lithuania, Luxembourg, Netherlands, New Zealand, Norway, Poland, Portugal, Slovenia, Slovakia, Singapore, Republic of Korea, Spain, Sweden, Switzerland, United Kingdom, Uruguay, United States
Upper-middle income	Argentina, Belarus, Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Costa Rica, Malaysia, Romania, Russia, Turkey
Lower-middle income	Cabo Verde, Jordan, Moldova, Ukraine

 $<sup>\</sup>boldsymbol{\ast}$  Country income classifications according to the World Bank for fiscal year 2019.

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