

## Public employment services' position and priorities

The public sector places great emphasis on employment management. The goal of employment management is to strengthen society's total output and competitiveness on the one hand and to prevent the economic problems and costs associated with unemployment on the other.

Public employment services are one aspect of employment management. Through these services the public sector strives to help match the demand for and supply of labour by ensuring and facilitating applicants' employability and the filling of job openings.

Public employment services are the responsibility of the labour administration, which up to 2007 fell under the Ministry of Labour. The calculated cost of public employment services and the related collecting of information was about 84.5 million euros at the time of the audit.

Public employment services' position in the labour administration and operational priorities have a significant effect on what resources are utilised in serving customers. Public employment services' position also determines what functions in the labour administration are considered key and what outputs the administration expects customer service to achieve.

The audit evaluated whether the activities of public employment services and the labour administration as the implementing body have supported the economic goals of employment management. The audit also drew attention to findings regarding public employment services' position and resourcing, on the basis of which an opinion could be formed as to whether public employment services have actually been a key function of the labour administration.

The audit indicated that in the labour administration's activities as well as steering on the part of the Ministry of Labour, public employment services have been subordinate to other tasks that have been assigned to the administrative sector. In the Ministry of La-

bour's steering, the labour administration's activities have not been consistent with the state's general economic policy lines.

Measures aimed at reducing structural unemployment have consumed a significant part of employment offices' customer service resources. The steering system has encouraged employment offices to focus resources on services for job applicants who can be classified as hard to employ. Consequently applicants who have found jobs within three months of becoming unemployed, for example, have largely been left up to their own devices. The largest group of customers at employment offices has thus been provided practically no real employment services.

At the beginning of 2008 the steering of the labour administration was shifted to the new Ministry of Employment and the Economy. Combining the employment and economy perspectives has opened new possibilities to develop public employment services. Under the Ministry of Employment and the Economy the labour administration can respond better to changes in the employment market. For instance, a situation in which the reserve labour force becomes smaller and employers' position as employment offices' customers assumes greater importance will require a new range of services and the embracing of new tools and new tasks by employment offices.