



Training and Integration Contract (PFI)

SUPPORTING JOBSEEKER PLACEMENT IN ENTERPRISES

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This practice is part of the Walloon Government's efforts to support the placement of jobseekers in enterprises. It also supports employers offering jobs that demand specific training to acquire a suitably qualified workforce. In 2019, the practice was reformed with a view to simplifying administrative procedures for users.

PFIs have a high rate of integration into employment: in 2017, out of 5 656 people monitored, 86 % were integrated within 6 months, 87.5 % within 12 months and 87.6 % within 18 months. No differences can be observed according to sex and age, and there are only slight variations according to education level.

Name of the PES

Le FOREM

When was the practice implemented?

1998-ongoing. An important reform took place in 2019.

Which organisation was involved in its implementation? Enterprises signing contracts with Le FOREM to train, and later employ, the jobseeker.

Which groups were targeted by the practice

- Registered and unemployed jobseekers
- Private employers
- Local public employers (municipalities, provinces, municipalities associations) and autonomous public companies (public companies with a commercial vocation and a management contract).

What were the practice's main objectives?

The PFI consists of an individual training course for jobseekers at an enterprise. The scheme allows an enterprise to train a jobseeker for a new job before offering her/him an employment contract. During the training period (between 4 and 26 weeks), the employer's payroll costs are significantly reduced. The training period can be extended up to 52 weeks for groups at risk of integration difficulties (less than 25 years old and 1 year of unemployment, more than 25 years old and 2 years of unemployment, people suffering from a recognised disability, people being reintegrated after a long sickness or jobseekers having at most a lower secondary diploma). Once the training period has ended, the employer must hire the trainee for at least the duration of the training.

What activities were carried out?

The employer, jobseeker and Le FOREM sign a training and integration contract lasting between 4 and 26 weeks (or even more, see above). This must contain a trial period equal to one third of the term of the training provided. It is equal to at least 2 weeks and cannot exceed 8 weeks. During the probation period, either party may terminate the training and integration contract.

The employer is obliged to employ the trainee directly after the training period under an employment contract applicable to the occupation learned and for at least the same duration as the training and integration contract.

During the PFI period, the trainee remains a jobseeker and continues to receive unemployment or social benefits. In addition, Le Forem also pays a monthly premium which, depending on the amount of the benefits, varies between 20 and 80 % of the average monthly minimum guaranteed income. This premium is the same regardless of the sector in which the trainee works. Le Forem then invoices the employer a lump sum calculated on the trainee's future salary. In addition to travel expenses, the Forem also reimburses the trainee for childcare expenses.

What resources and other relevant organisational aspects were involved?

Le FOREM coordinates the practice at its head office and implements it in its 4 territorial directorates. Approximately 70 PFI counsellors are responsible for this implementation. They are assisted by employer counsellors.

What were the source(s) of funding?

National budget (for the trainee's unemployment benefits and the social security exemption during the training period).

Regional budget (for the additional monthly premium).

Private source: Employers (for the lump sum during the training period and the contract after the training period).

What were the outputs of the practice: people reached and products?

In 2018, 45 % of PFI contracts were made for manual occupations, 33 % for intellectual occupations, 22 % for mixed occupations. 27.5 % of trainees have no upper secondary diploma, while 20 % have a higher education diploma. 45 % of trainees are under 25 years of age. 44 % are between 25 and 39, 11 % are over 40 years of age. 68 % of trainees are male and 32 % female.

What outcomes have been identified?

- ▶ PFI contracts have enabled an average of 7,500 contracts to be inserted per year over the last 5 years.
- ▶ They have a high rate of professional integration: on average, 80 % of the PFIs initiated complete their studies.
- ▶ The employment is sustainable: among the 80 % who have completed their PFI, more than 85 % of people work more than 6 months in the first 12 months following the mandatory contract.
- ▶ In 2018, the average duration of PFI contracts was 19 weeks.

What are the lessons learnt and success factors?

- ▶ Before agreeing to the start of a PFI contract, the PFI counsellor must check the eligibility of the candidate on the basis of authenticated data (e.g. professional experience). Indeed, obtaining a PFI allows the employer to benefit from a jobseeker's services at a cost 3 to 5 times lower than a normal contract. Therefore, a lot of applications are submitted.
- ▶ The PFI counsellor needs to follow the trainee and the employer throughout the PFI contract for administrative and educational aspects (regular checks with the client and the employer).
- ▶ Employers should choose their own trainee candidates.



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