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EEPO Review Spring 2015: Upskilling unemployed adults

The organisation, profiling and targeting of training provision

The Republic of Cyprus

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1 Introduction: Overview of organisation of training for unemployed adults 25-64

1.1 National policy direction and changes during the economic crisis years

In order to understand current Labour Market Policies (LMPs), it is necessary to briefly review the period leading up to the quadrupling of the Labour Force Survey unemployment rate from 3.9 % in the first year of the crisis in 2007, to 16.1 % in 2014 (Regular Report, January 2015, Table 1).

For the three decades prior to the economic crisis, the unemployment rate in Cyprus had been low and a strong labour market had attracted a large number of EU and third country workers. The economy went into recession at the end of 2011. In October 2012, the Regular Report Database shows that LMP emphasis was on increasing labour supply and dealing with areas of special need.¹ With the collapse of the banking sector, the March 2013 'bail-in', and the subsequent fiscal austerity, unemployment became more evident and long-lasting and LMPs began to take this on board.

Nevertheless LMPs in Cyprus still assume that unemployment will recede soon after positive growth returns; long-term unemployment has not been adequately planned for. Government forecasts had predicted the recession would subside from 2015 - a prediction that now looks increasingly unlikely.² Registered unemployment data (RR January 2015, Table 4) show a 36.8 % increase in the number of those unemployed for 12 months or more between December 2013 and 2014. This increase occurred despite a 5.1 % decline in the overall number of registered unemployed. Even when GDP growth turns positive, employment growth is likely to be slow and, for structural reasons, long-term unemployment is likely to remain high for a while.

These structural difficulties will slow down declines in unemployment for the low-skilled and for degree holders. Between December 2013 and 2014, the smallest change in registered unemployment occurred for those with 'No Schooling' and those with 'Higher Education' (-1.2 % in both cases – see RR January 2015, Table 4). Thus, long-term unemployment, and its concentration at the two extremes of the skill distribution, are two issues that will remain a challenge in Cyprus and need to be addressed by LMP interventions.

1.2 The institutions and actors responsible for governance, implementation, and the provision of training

Labour market policy interventions in Cyprus have changed dramatically to deal with unemployment. Three of the four new programmes listed in the September 2013 RR Database, target the unemployed.

This change in direction has been driven and implemented by Ministries such as the Ministry of Labour, Welfare, and Social Insurance (known until now as MLSI) and major organisations under it such as the Human Resources, Development Authority (HRDA), the Public Employment Services (PES), the Cyprus Productivity Centre (CPC),

¹ The programmes listed are as follows: (i) Incentives for attracting people into the labour market through flexible forms of employment; (ii) Provision of services for covering social care within family and employment reconciliation; (iii) Scheme for the improvement of the employability of economically inactive women; (iv) Scheme for the improvement of the employability of the unemployed; (v) Scheme to facilitate the shift from low to high productivity jobs; and (vi) Scheme for the enhancement of women's and youth entrepreneurship.

² At the time of writing, Ernst and Young revised their 2015 GDP growth forecast from +0.3 % to -0.4 %.

and the Higher Hotel Institute of Cyprus (HHIC). Other ministries have a less central role in the formation and execution of LMPs. The Ministry of Energy, Commerce, Industry and Tourism (known until now as MCIT) has been responsible for entrepreneurship programmes, while the Ministry of Education and Culture (MOEC) is in charge of technical training in schools and the new (2012) Post-Secondary Institutes of Vocational Education and Training (PSIVET).

Interactions among these, as well as discussions with employers, employer organisations and trade unions occur formally or informally and help shape the nature of programmes that are offered. The PES have been on the front line of efforts to deal with the unemployed. However, they have been swamped and have limited capacity to deliver individualised support. An earlier attempt to modernise them, and enable them to provide individualised counselling, has stalled under the new workload. In addition, the public service has been losing staff as a result of austerity measures and redeploying personnel to the PES from other areas has provided only limited relief.

1.3 Key LMP measures/interventions through which training is provided

LMPs have now been redirected to Training (Eurostat category 2) and Employment incentives (Eurostat 4). Training interventions consist of Institutional Training (Eurostat 2.1) and Workplace Training (Eurostat 2.2). Alternate training (Eurostat 2.3) and Special Support for Apprenticeship (Eurostat 2.4) have not been stressed.

1.4 The amounts and sources of funding and participation in training measures

Recent data on training expenditures are not available. In 2009, Cyprus spent approximately 0.7 % of GDP on labour market programmes, of which 0.59 % went to Out of Work Income Support, 0.05 % to Employment Incentives, 0.04 % to the PES, 0.02 % to Training, and 0.01 % to Supported Work and Rehabilitation (see Table 2.5, p. 77, ECORYS (2012)).

DG EMPL data (see Bibliography) for 2011 on absolute amounts expended show that EUR 185.19 million was spent on all LMPs (categories 1-9), of which: EUR 103 million was spent on unemployment insurance (UI); EUR 20.40 million on redundancy payments (Eurostat 8); EUR 44.47 million on employment incentives (Eurostat 4); and EUR 10.13 million on training. Thus, only small amounts have been devoted to training. The proportion of job seekers who participated in activation in 2010 was just over 20 % (see European Union Active Labour Market Policies in the Bibliography).

Training measures are often co-funded between the European Social Fund (ESF) and the government with the ESF carrying a substantial portion of the support. Other EU sources of funds are sometimes involved. HRDA is largely funded by employer contributions and has more recently accepted unemployed individuals into some of its enterprise-driven programmes.

2 Targeting provision to specific unemployed groups: detailed description of training provision

2.1 Role of actors

The chief player in training is the MLSI. It is this ministry that determines the main direction of LMPs. The HRDA receives funding from employers and its mandate is shaped by employer needs to some extent. Nevertheless it acts as an independent agent, also involved in running MLSI-determined training programmes such as those involving the placement of secondary and tertiary education graduates (items 1 and 2 in Annex 1). In addition, it is the main provider of forecasts for future labour market

needs and is linked to ReferNet.³ The CPC and HHIC are also involved in training programmes but their role is more focussed on productivity and hospitality issues respectively.

The PES is the first port of call for newly unemployed individuals and new entrants. It is responsible for registering the unemployed and, within staffing and resource constraints, offers advice and direction for job search. They also interact with the Department of Labour within the MLSI and other agencies (mentioned above) to shape future interventions. Their role is highlighted in programme 3 of Annex 1.

It should be noted that UI is not conditional on training or participation in any specific programme. The recently introduced guaranteed minimum income (GMI) scheme has been designed with an explicit philosophy of providing work incentives and discouraging welfare traps and support under this scheme is conditional. The first round of applications are in the process of being assessed by the authorities, and it remains to be seen how this will work in practice – currently issues related to the eligibility criteria for support, in particular to income/wealth, remain.

Afternoon and evening Technical Schools and the new PSIVET are also involved in training the unemployed. Afternoon and evening Technical Schools offer one-year and three-year programmes leading to a certificate. The three year certificate is equivalent to the one offered by the regular Technical Schools and completes secondary education as far as technical training is concerned. These institutions also offer some of the training programmes available for the unemployed (see, for example, item 3, Annex 1).

The PSIVET are a very welcome, major, new initiative. They are housed in existing Technical Schools, in all provinces of Cyprus, utilising the existing infrastructure. They are highly integrated with social partners through an Advisory Board and a Programme Council, ensuring a tight fit between their (two-year) programmes and the needs of the labour market.⁴ It should be noted that the PSIVET appear to serve a real need in that the number of applications for places far exceeds the number available. Though not specifically designed to train the unemployed, the PSIVET provide training for some individuals who would otherwise have been unemployed. There are no fees for attending PSIVET and candidates are admitted on a point system.

Employer organisations and trade unions are not typically directly involved in the delivery of programmes. However, they are often consulted and may be influential in determining the programmes offered by HRDA and the PSIVET, for example.

2.2 Main providers

The main institutional providers of training are HRDA, CPC, HHIC, afternoon and evening Technical Schools and the PSIVET. Where needed, these organisations set up lists of approved trainers using explicit criteria which include educational attainment, teaching experience and/or trainer certification.

³ The HRDA web page notes that 'HRDA was designated as the National ReferNet Coordinator of the Cyprus ReferNet Consortium. The consortium comprises 18 other members, representing Ministries and Government departments (7 members), Employer and Trade Union organisations (7 members), Non-profit making organisations (2 members), and National agencies managing European Programmes (2 members)'.

⁴ So far, 10 programmes are being offered to some 350 students in specialties ranging from 'natural gas specialist for industrial and household fittings' to 'officer for purchases and supplies for ships'.

In addition to these, a number of the programmes listed in Annex 1, involve on-the-job training (Eurostat 2.2 Workplace Training). In such cases, the trainers are employees of the firms and organisations involved in these programmes.

2.3 Length and types of training programmes

The length of short-term training programmes offered ranges from 75 hours (last programme in Annex 1) to 6 months (see programmes 1, 2 and 4 in Annex 1). Where a recruitment incentive (Eurostat 4.1) is involved (see programmes 4 and 8 in Annex 1) a further employment obligation is undertaken (typically one or two months) on the part of the participating organisation; this feature effectively extends the duration of training programmes. In the case of some instructional programmes leading to certification, the duration may be longer.

The type of programme ranges from workplace, on-the-job training, to formal classroom delivery, with or without job placement and experience.

2.4 The provision of specific training paths

The PES advise (subject to the resource constraints already noted and with no training conditions attached to the receipt of UI benefits) unemployed individuals as to the availability and suitability of training programmes. One difficulty worth noting is that programmes are not open continuously, making it difficult for a person who becomes unemployed at a given point in time to proceed seamlessly into training.

The range of training provided is diverse. It is highly specific in the case of some HRDA programmes (e.g. training to become a welder) or can be more general (e.g. programme 5 in Annex 1, which involves IT and computer training, language and secretarial services). The number of unemployed is now large enough to offer such general instruction on a relatively continuous basis.

The training paths noted in Annex 1 include some programmes which reflect the habitual support of certain sectors (e.g. tourism) and the desire to effectively extend UI benefits beyond the 6 months of entitlement. The programme (to support employment and training in large retail sector firms (see programme 4 in Annex 1)⁵ most likely falls into the category of effectively extending UI benefits. It also has the potential to increase the average productivity of large retail firms if used to shed less productive workers – a practice that would contravene the intent of the programme. It remains questionable whether long-term employment positions would result from the programme and no assessment of this possibility has been made available. In a similar vein, the programmes to support the hospitality industry (6 and 7 in Annex 1) do not appear to be well designed and do not meet a real need. Large numbers of unemployed hospitality workers already exist: in December 2015, of the 47 886 workers who were registered unemployed, 10 305 were from occupations in 'Accommodation and Food Service Activities' (RR January 2015, Table 3).

On the other hand, there is demand for hospital/clinic/home carer professions. Current carer needs are met by third country workers who may have language/cultural problems that prevent them from communicating effectively with patients and older people. The population is ageing faster than that of most EU countries so that future demand for this sector is likely to remain very strong. Retraining from serving tourists to caring for patients and older individuals should provide good prospects for future employment and does not require considerable upskilling. Moreover, it fits in with efforts to promote recuperative and medical tourism.

⁵ A similar one for small retail firms (1-4 employees) was not listed in Annex 1 because it appeared to involve no training – for details, see the March 2014 RR Database.

Programmes to offer work experience and train secondary and tertiary graduates (1 and 2 in Annex 1) address a real need in youth and graduate unemployment and appear to be well designed and successful. An evaluation of the programme for graduates (albeit by HRDA itself and without a rigorous independent econometric study) appears to report considerable success in securing long-term employment attachments – see section 3 below for more details. Matching programmes may also be useful for more senior banking and business services workers who have lost their jobs and are looking for new positions.

Government policy with respect to tertiary education, research, technological innovation, and generally high value-added services has been affected by changes to funding and support, which has resulted in highly trained individuals emigrating, without attracting back Cypriot youth who have been studying abroad. While labour supply issues are not paramount at the moment, this brain drain will most likely have deleterious effects in the longer term.

2.5 Access for unemployed adults to training programmes

The training programmes offered for the unemployed are generally accessible to all those meeting the specified programme criteria, such as those noted in column 7 of Annex 1, and the PES are sometimes instrumental in directing individuals appropriately. Some support is generally offered to individuals participating in training (see column 5 of Annex 1).

The role of social partners is to help shape MLSI and other decision-maker views as to the need for particular programmes. They are not generally involved at the organisation level in the training process. It should be noted that some programmes involve workplace training, where individual employers and their designated trainers are, by definition, involved.

In such cases, the matching process is critical to the success of the programme and the HRDA appears to have been effective in placing individuals (see the results of the ex post assessment of the programme for graduates in section 3 below).

The frequency of offering training programmes can be an issue and a seamless transition from layoff to training is not always possible. Generic programmes such as IT and computer training, and exposure to English and secretarial skills, could be available more frequently so that delays in participation can be minimised and reintegration into the labour market be made more effective.

Because employment recovers slowly during upturns and because of the structural problems at the bottom (e.g. stagnation of conventional tourism, a deep construction slump) and top (e.g. banking crisis) of the skill distribution, long-term unemployment in Cyprus persists, particularly at the two ends of the skill distribution. Labour market interventions should be designed with this in mind. Training suggestions for doing so are offered in the Conclusion section. The case study below presents what would appear to be a particularly good example of a successful programme aimed at helping those at the high end of the skill distribution.

3 Most Significant Practice

A strong preference exists for tertiary education with the result that an extremely high proportion of the labour force has a degree. In the past, many of these graduates found employment in the banking and business services sectors. However, following the bail-in, both areas have seen significant declines in employment. Future employment prospects in banking remain poor. As noted in section 1, unemployment among tertiary education graduates remains high. The case study presented below is

a good example of a successful programme aimed at helping the unemployed with high level skills.

Country: CYPRUS

Name of training programme: Placing unemployed new tertiary education graduates in firms/organisations to train and gain work experience.

Short description and aims of the training programme: Placing degree holders in businesses and other organisations to gain work experience in positions that require a degree. Ran during 2014 by Human Resources Development Authority (HRDA). A certificate of training and work experience was granted upon graduation.

Target group: Degree holders under 35 who are registered unemployed.

Number of participants: 2 500.

Duration of programme for the beneficiary (and amount of subsidy beneficiaries receive, if applicable): Up to 6 months. Paid EUR 125 per week minus 7.8 % employee social insurance contributions; 9.8 % employer contributions to social insurance covered.

Target group or educational level targeted: Tertiary education degree holders.

Eligibility Criteria: Must be aged under 35 years. Priority is given to the handicapped, orphans, single parents, married with children), and individuals who have been long-term unemployed.

Funding source and total budget (share of EU funding, if applicable): ESF co-funded. Total budget is EUR 8.5 million.

Types of skills (or qualification if relevant) delivered: On-the-job training relevant to the applicant's education and work experience. A good match between the education of the applicant and the business/organisational environment is sought.

Actors involved in the provision of training and their role: Run by HRDA with participating firms/organisations.

Summary of evaluation findings: 50 % of those placed are employed 6 months after the end of the programme; 25 % in the firm/organisation which originally hosted them. The percentage employed is higher if the hosting firm/organisation is in the private sector (given hiring restrictions in the public sector under the MoU). 80 % of participants state that the match between their education and the placement is good.

Policy lessons: Offer schemes which address real needs (in this case, given the high unemployment rate of graduates) and match the skills offered with the needs of the hosting firm/organisation. Place no restrictions on the sector of work, as this may merely reflect pressures from lobby groups rather than the best prospects for long-term employment.

References: The description of the programme is available at internet: <http://stap.anad.org.cy/>

HRDA evaluation. Internet:

http://www.hrdauth.org.cy/easyconsole.cfm/page/project/p_id/219

4 Conclusion

Some long-term unemployment in Cyprus tends to involve low-skilled individuals from the tourism and construction sectors who are not very likely to participate in training programmes. However, long-term unemployment is also found among highly trained individuals - particularly among young people and those who lost long-standing jobs following the banking crisis and subsequent bail-in. In addition, and because employers are cautious about increasing labour costs in the early stages of a recovery, employment growth is expected to be modest in the short-term, further limiting the decline of long-term unemployment.

Consequently, LMPs that offer the low-skilled long-term unemployed greater access to generic programmes in IT, computer literacy, languages, basic office skills, and opportunities to retrain for occupations in sectors with good employment prospects should be promoted and provided on a regular basis. With the stagnation in conventional sun-and-sea tourism, the hospital/clinic/home carer professions, for example, would be particularly attractive to individuals previously employed in the related hospitality industry.

Efforts to strengthen and enrich technical and vocational training have and should continue to support unemployed individuals with low to mid-level skills given the limited employment opportunities as a result of the economic crisis. Demand outstripping supply for training positions at PSIVETs is indicative of the need for this type of training. Indeed, this is also important in the context of traditional reticence to undertake technical training (particularly among young women).

Efforts to attract tourists have been too focused on the provision of short sun-and-sea holidays. Training programmes that help broaden what is offered could be helpful in stimulating arrivals and could provide new employment opportunities for mid-level skills. The production of traditional food products and certain handicrafts (which complement efforts to shore up tourist flows) should be encouraged with purpose-built programmes to be offered by the PSIVET. Redefining tourism to include long-term winter stays in the historic parts of city centres, where government and medical services, museums, galleries, cultural activities, as well as restaurants, cafes, and other facilities are concentrated, should be encouraged and supported with graduates from programmes (to be offered by the PSIVET) which train professionals to help long-term visitors settle into suitable rooms/apartments, inform them about the availability of medical and public transport services, facilitate the use of computer communication with friends and families abroad, guide them to the cultural and other entertainment facilities available in the historic city centres, and to generally provide a link with local communities during their stay. Both training programmes should appeal to medium-skilled individuals.

At the high-skill end, more programmes aimed at supporting employment reintegration could be offered. The preference for general tertiary education leading to positions in accounting, auditing, banking, business services and finance has been strong and large numbers of graduates in these areas have been produced. To these must be added more senior individuals previously employed in the banking and business services sectors who have lost their jobs following the economic crisis. Separate programmes for young graduates, and those made redundant, which produce good matches with firms and other organisations, appear to offer some hope of lasting employment.

Long-term unemployment at the high-skill end would also be ameliorated by the planned re-orientation of the economy towards the provision of high value-added

services in business, banking and finance, shipping, aspects of medicine and medical rehabilitation, and tertiary education/research/innovation. In order to effect this restructuring, consistency of purpose over time is needed. A number of very high quality institutes and universities now provide scientific and professional support for these high value-added areas but also employ large numbers of young researchers and scientists. Such investments should be safeguarded and nurtured.

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Annex 1: Measure Description Table

Main training programmes in CYPRUS

| Name of training programme | LMP measure: the name and number of the relevant LMP measure, based on the list of LMP measures in the qualitative LMP report (if possible to attribute the training programme to the LMP measure) | Short description and aims of the training programme: e.g. basic skills(literacy, numeracy, ICT, other skills); general work experience and employability skills; initial vocational training oriented to a specific job; continuing training to up/re-skill in own occupation/sector; validation of prior learning and experience; tertiary education; preparation to start own business, etc. | No. of participants | Duration of programme for the beneficiary (and amount of subsidy, if applicable) | Target group or educational level targeted | Criteria for accessing the programme | Funding source and total budget | Types of skills (or qualification if relevant) delivered | Actors involved in training provision and their role | Evaluation results available (here, please provide detail on the method used, on the coverage, and on the evaluation findings) | If no evaluation is available, what is the expert's assessment of the impact of the measure? |
|--|--|---|----------------------------|--|--|--|---|---|---|---|--|
| Placing unemployed secondary graduates in workplace | 2. Training 2.2 Workplace training | Placing secondary education (with up to 2 years of post-secondary education) graduates in businesses and other organisations to gain work experience. Ran during 2014 by the Ministry of Labour and Social Insurance (MLSI) through the Human Resource Development Authority (HRDA). Certificate of training and work experience upon graduation. | Up to 2 500 individuals | Up to 6 months. Paid EUR 125 per week minus 7.8 % employee social insurance contributions; 9.8 % employer contributions to social insurance covered. | Registered unemployed secondary and up to two-year post-secondary education graduates. | Must be under 25. Priority to handicapped, orphans, single parents, married with child(ren), long-term unemployed. | Budget of EUR 8.5 million, ESF co-funded. | Work experience; training in health and safety. | Employee of receiving firm supervises. | 2 255 applications from youth and 1 198 applications from firms were received. 1 135 youth were placed in jobs. | |
| Placing unemployed degree holders in workplace | 2. Training 2.2 Workplace training | Placing degree holders in businesses and other organisations to gain work experience in positions that require a degree. Ran during 2014 by the MLSI through HRDA. Certificate of training and work experience granted upon graduation. | Up to 2 500 degree holders | Up to 6 months. Paid EUR 125 per week minus 7.8 % employee social insurance contributions; 9.8 % employer contributions to social insurance covered. | Registered unemployed degree holders. | Must be under 35. Priority to handicapped, orphans, single parents, married with child(ren), long-term unemployed. | Budget of EUR 8.5 million, ESF co-funded. | Matching degree skills to workplace needs and facilitating future employment. | Employee of receiving firm supervises | 3 642 applications from unemployed degree holders and 1 279 potential employers offering 6 637 placements received. 1 978 individuals placed in jobs. 50 % of placements result in continuing employment. | |
| Emergency measure for the further training of the unemployed. | 2. Training 2.1 Institutional training | Diverse training offered through the HRDA in consultation with the Department of Employment, the PES, institutions for technical training, the Cyprus Productivity Centre (CPC) and the Higher Hotel Institute (HHI). Accommodates contributing firms and | 1 000 individuals. | Varying length. Subsidy to participating individuals, social and workplace insurance paid. CPC and HHI paid for costs according to | Registered unemployed. Programmes offer specific vocational and technical skills, as | PES referrals and/or application | Run by HRDA from own budget. Estimated annual | Based on perceived LM needs in consultation with MLSI, | Afternoon and evening Technical Schools, CPC and HHI. | | HRDA is main provider of training of various forms. Experienced in assessing needs and providing for |

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|--|---|--|----------------------------------|--|---|---|---|--|---|---|
| | | registered unemployed. Unemployed participants receive a stipend and have payments made for social insurance. The programme first started in 2009 but has been offered repeatedly since then. | | agreed schedules. | determined by labour market needs. | | cost for 1 000 participants is EUR 1.5 million. | PESs, CPC, and HHI. | | them. Likely to be well run. |
| Employment and training subsidies for large retail firms. | 2. Training 2.2 Workplace training 4.1 Recruitment incentives | Provides subsidies for firms to provide employment and training for up to 1000 individuals who are registered unemployed and eligible to continue drawing benefits for one more month. Run by the MLSI. | 1 000 individuals. | 6 month duration. Subsidy of up to 50 % of employment cost, to a limit of EUR 3 000 per employee, maximum 5 employees. Employer must commit to further employment of 2 months without subsidy. | Registered unemployed receiving UI benefits and eligible to continue doing so for 1 more month on starting the programme. | Employers are larger retail firms (1-49 employees). Employees must be unemployed. | Co-funded with ESF. EUR 3 million. | Basic training for retail establishments. | Participating retail firms must do the training on the job. | Effectively extends six month UI benefits at a time of high unemployment. May help large retail firms improve average productivity of workforce. No long run employment effects likely. |
| Measures specifically targeting the low-skilled | | | | | | | | | | |
| Improving the employability of the unemployed | 2. Training 2.1 Institutional training | Provides IT, language and secretarial training and work experience to the unemployed. Run by HRDA using approved training centres. | Not specified. | 160 hours of training and 10 weeks of work placement. Participants receive €5 p/h of training and €125 p/w of job placement; minus 6.8% for social security contributions. | Unemployed individuals. | Referral by PES following individualised counselling. | Run by HRDA, budget not specified. | Use of computer and IT, learning English language, and secretarial skills) | HRDA-approved training centres. | Should be useful in light of need to upgrade skill levels. |
| Training programme for temporarily unemployed hospitality workers | 2. Training 2.2 Workplace training | A number of hospitality establishments close during the winter months and their employees go on UI benefits until next spring. Programme aims to extend tourist season while also reducing UI costs. Run by MLSI between December 2013- March 2014 | Not specified. | Establishments receive an amount equal to the monthly UI benefit of the employee for each training period of 30 days. | Temporary layoffs in the hospitality industry. | Employers must hire workers at previous salary and offer further training. | EU co-funded. | Specialising hospitality skills to winter months. | Employing hotels and establishments offer training on the job. | Reports in the press note limited interest for the programme. Strategy for extending the tourism season has not been effectively articulated. |
| Measures specifically targeting the long-term unemployed | | | | | | | | | | |
| Training for transition from unemployment to employment in hospitality industry | 2. Training 2.2 Workplace training | Allows those unemployed for more than 12 months and not previously in the hospitality industry to train for employment in hotels/restaurants. | 1 500 individuals. | 2 month training with view to subsequent employment. At end of two months, the firm commits to hiring trainee for 6 months. Trainee is paid EUR 125 p/w during training and firm EUR 100 euro p/m for costs. | Unemployed for more than 12 months; previous employment not in hospitality industry. | Employer in hospitality industry and long-term unemployed participants. | EU co-funded. Budget is EUR 2 million. | Training for employment in hospitality industry. | Participating hospitality establishments, with training offered on the job. | Large numbers of unemployed individuals exist in hospitality industry. Not clear why incentives for training more are being given. |
| Incentive scheme for the employment | 2. Training 2.2 Workplace | A combination of employment subsidy and on the job training available to firms in all sectors. Employers must respect minimum wage and collective | Approximately 1 000 individuals. | Subsidy is for 10 months at 50 % of wage costs to a limit of EUR 5 000; raised to 60 | Unemployed, long-term unemployed. | Subsidy on condition of net increase in employment | EU co-funded. Budget of EUR 5 | On the job skills which depend | Firms and organisations willing to add to employment | Safeguards against displacement and substitution |

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|---|--|---|----------------|---|---|---|--|--------------------------|---|---|
| of the unemployed | training 4.1 Recruitment incentives | bargaining provisions. Maximum of 5 individuals per employer. Run by MLSI. | | % and a limit of EUR 6 000 for the long-term unemployed. | | and no layoffs during the programme. | million. | on sector of employment. | and respect industrial relations conventions. | effects. Provides incentive for on the job training to the long term unemployed. |
| Scheme to introduce tertiary education graduates into labour market and develop their entrepreneurial skills | 2. Training 2.1 Institutional training | Addressed at tertiary education graduates who have been unemployed. Priority given to those unemployed for longer periods. Applications were accepted by CPC until August 30, 2013. | 28 individuals | Training for 75 hours. Stipend of EUR 5 p/h of training, payable at the end of the programme. | Tertiary education graduates aspiring for managerial positions, especially those not trained in management. | Graduates who have not participated in other training programmes. | Total budget not stated. EU co-funded. | Management skills. | MLSI approved and delivered by the CPC. | Should meet real needs. However, only a small number of positions is offered. While helpful, managerial training is not likely to be long enough. |

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