



# 50,000 Bulgarians Benefit from Employment Service Challenge

Access to information about the pension system and the labor market in Bulgaria is of crucial importance. The legal framework governing retirement and labor was substantially overhauled making it very difficult for people to follow the changes. For example, the pension reform introduced the three-pillar system including mandatory public social security, the supplementary private pension insurance and the voluntary private pension arrangements. Compounding the issue, Bulgaria's unemployment is relatively high compared to the EU and US. Bulgarians do not have an integrated source of information and assistance on current laws relating to the pension system and the labor market.



Photo: Ministry of Labor

Operators answer calls on employment and social issues at the Social Information Center.

*“This is the only social information center in Bulgaria. Moreover we pensioners, can afford the service.”*

*- Sofia resident*

## Initiative

USAID set up the Social Information Center within the Bulgaria Ministry of Labor and Social Policy, and provided equipment and training for four of its operators. The Center runs the only information hotline in Bulgaria addressing social issues including pension systems, disability services and government institution access. The operators answer calls on new employment programs, incentives for employers on job creation, and micro-crediting projects.

The Center analyzes questions and opinions received from citizens, and summarizes citizens' input for consideration in amending draft legislative proposals which are then forwarded to the Ministry on a monthly basis. The information services provided by the Center are accessible from all over the country and are inexpensive. The low cost of the services is very important for retirees receiving only \$30-\$40 per month and the unemployed.

## Results

Initially established as a hotline for pension issues, the Center now addresses all social issues and provides information on the Micro-Lending Guarantee Fund of the Ministry of Labor and Social Policy. This new fund has helped create 8,000 new jobs in small private companies during the past several years. The Center targets a wide range of beneficiaries - retirees, underprivileged, disabled, low-income and unemployed, single mothers, and children.

During the three-and-a-half years of its existence, the Center has served over 50,000 Bulgarians with women accounting for 70% of all calls. Daily calls vary in number between 100 and 500. Bulgarians aged 35 - 49, who are also the majority of job-seekers, call the Center most often. The Center will soon begin working with socially disadvantaged children.

Case Study

