EVIDENCE ON ACTIVE LABOUR MARKET POLICIES AND TRANSITION TO WORK IN THE ETF PARTNER COUNTRIES

Key findings and research insights

Cristina Mereuta, ETF
Ben Kriechel, Economix

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Lifelong learning participation in the European Union and several ETF partner countries

Adult participation in learning (%)

Source: Eurostat (EU-27, RS, ME, MK, TR); statistical offices for the other countries. Year: 2022 (Serbia), 2021 or last year available for the other countries. Note: datasets based on Labour Force Surveys
Key EU policy orientations

Key target indicators:
- participation of adults aged 25-64 in learning during the last 12 month
- participation of low-qualified adults in learning
- share of unemployed adults aged 25-64 with a recent learning experience
- share of adults aged 16-74 having at least basic digital skills.

Source: European Commission
ETF’s work 2022 - 2024

Objectives: document ALMPs developments, provide targeted advice, share innovative policy solutions, and improve employability and skills sets in a lifelong learning approach.
• review of activation, reskilling and upskilling policies and programmes;
• foster policy learning and exchange activities among the ETF partner countries;
• regular collection of statistics/data on ALMPs and other related aspects.

Datasets concerning the implementation of ALMPs in the ETF partner countries:
• First phase: Sept 2022 – March 2023: Collection in (up to) 20 partner countries.
• Second phase: April 2023 – December 2023: covering most partner countries.
• Third phase: January – October 2024: covering most partner countries.
• Establish a regular cooperation with national institutions in collecting these data regularly.
• Learn about the feasibility of expanding datasets, use of international classifications
• Run regular learning and exchange events
• Targeted advice and support, upon request from countries, donors, EC services.
Following a pilot, the methodology was used to provide data for the following countries:

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<td>Bosnia and Herzegovina</td>
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<td>Turkiye</td>
<td>Palestine**</td>
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Great diversity in data availability and structure of datasets

ALMPs and PES specific datasets for Central Asia are being explored as part of DARYA project
Goals

• Partner countries are dealing with multiple challenges, disruptive factors affecting labour demand and economic development, including recovery

• Young and adults are now exposed to faster labour market transitions and risks

• Support in the effective collection of data for ALMPs

• Programmes should be monitored and evaluated

• Engagement of PES in the monitoring and analysis of ALMPs within the EU policy cycle

• Provides important information to partner countries and EU services in necessary support programmes

• Support monitoring frameworks such as Youth Guarantee, skills investment programmes for jobseekers and vulnerable groups, labour market transitions

• Helps with integration of database or cross-referencing (e.g. PES administrative datasets; tax, employment, insurance datasets; qualifications registers)
Methodology and implementation

• Common reference and definitions (EC DG Empl and Eurostat guidelines)
• Adjust to common denominators in terms of data availability
• Focus on the most relevant indicators and dimensions (age groups – young vs adults; gender; education attainment)
• Adapt to the typology of programmes and a multitude of implementation and funding arrangements

• Period covered in phase 1: 2019-2021
• Data collection using two main methods:
  • Retrieve of data publicly available (e.g., statistical bulletins, annual reports, database)
  • Ask for sharing of specific datasets or disaggregation
• Checking and validation (ongoing)
Some outcomes
LMPS: LABOUR MARKET POLICIES STATISTICS

• **Context**: This data provides information on labour market interventions, which are government actions to help and support the unemployed and other disadvantaged groups in the transition from unemployment or inactivity to work. The labour market interventions are public interventions aimed at reaching its efficient functioning and correcting disequilibria and which can be distinguished from other general employment policy interventions in that they act selectively to favour particular groups in the labour market (cf. Eurostat).

• **Limitations and further considerations**: Labour Market Policies statistics are mostly defined in line with national classifications, especially indicators reflecting participation in labour market policies, or definition of registered jobseekers/unemployed. ETF recommends data collection and calculation in line with EU guidelines. Should that not be feasible, experts have to provide information on national classification used (indicators’ definition, deviations etc.).

• **Rationale**: LMP indicators describe labour market interventions (participation, expenditure) and provide essential information on employability (including of young graduates), participation in continuous training, transition to employment and labour market demand.

• **Source**: Data usually come from Public Employment Services (PES) agencies, Ministries of Labour and in some cases from the national statistical offices.
Expenditure on labour market policies

- Expenditure on labour market policies is limited to public interventions which are explicitly targeted at groups of persons with difficulties in the labour market:
  - the unemployed,
  - the employed at risk of involuntary job loss and
  - inactive persons who would like to enter the labour market.

- Evidence available shows very limited investment in the EU neighbouring countries ranging from 0.004% to 0.24% of GDP, compared to EU-27 average of 1.65% (with EU MS GDP shares ranging from 0.07% to 2.69% - 2019 data – pre-Covid-19)

- In general, ALMPs investment data are missing, incomplete or there is significant time lag. Cross-country comparisons are not fully relevant due to different typology of measures and intervention packages, as well as number and profile of unemployed.

- Still, clearer information on investments per type of services, measures and benefits and target beneficiaries could support more efficient and effective planning of ALMPs.
Definition: LM services refer to labour market interventions where the main activity of participants is job-search related and where participation usually does not result in a change of labour market status.

Within the scope of this data collection, the following type of services will be taken into consideration:

• **job matching:**
  information and referral to opportunities for work, training and other forms of assistance, and

• **counselling:**
  • career counselling and guidance,
  • intensive assistance
Participation in Labour Market Services
(% distribution of participants; available countries)
Participants in Labour Market Measures, by measures - LMM

LM measures cover interventions that provide temporary support for disadvantaged groups in the labour market and aim at activating the unemployed, helping people move from involuntary inactivity into employment, or maintaining the jobs of persons threatened by unemployment. Such measures include:

- **Training** (institutional training, workplace training, alternate training, special support for apprenticeship)
- **Employment incentives** (recruitment incentives, employment maintenance incentives, job rotation and job sharing)
- **Supported employment and rehabilitation**
- **Direct job creation**
- **Start-up incentives**
Participants in Labour Market Measures (LMM) (% distribution of participants; available countries)
Job Placement
Transition from unemployment to employment - TUE

Definition:
• A number of registered jobseekers/unemployed who transited from unemployment into employment per age group (up to and over 25), gender and education level, as a share of the stock of registered jobseekers/unemployed persons.

Findings:
• Most countries provided either numbers or percentages for the transitions (83%)
• 72% provided percentages of the transitions
• 66% provide percentages of transitions by gender (separately)
• 44% provide percentages of transitions by age groups (young/old)
• 44% provide percentages of transitions by education
Transition rate from unemployment to employment (Rate of persons leaving unemployment, %; all countries)

Transition from unemployment to employment (%)

- Total
- Higher Education
- Medium education
- Low Education
- Adult
- Young
- Female
- Male

Gender

Age

Education
Number of registered jobseekers/registered unemployed

Registered jobseekers (or registered unemployed) are all currently registered as jobseekers (or unemployed).
Note: indicator collected aligns with each country’s legal definition and coverage.

• Data on the total number of jobseekers registered with the PES include those considered as registered unemployed according to national definitions and other registered jobseekers.

• The number of persons registered with the public employment service (PES) is the main target of labour market policy (LMP) interventions. It may be used to contextualise the number of participants benefiting from the different types of LMP intervention.

➢ Most countries can provide at least a total of job seekers.
➢ Of those countries with information on the total of job seekers, almost all provide breakdowns by gender, many also with breakdowns by age group (old/young) and education.
Registered job-seekers

Results by breakdown of job-seekers (all countries with data)
Number of Job vacancies (JVAC)

A job vacancy is a post, either newly created, unoccupied or about to become vacant, which the employer actively seeks to fill with a suitable candidate from outside the enterprise (including any further necessary steps).

Data on job vacancies should be provided by economic branches (acc. NACE rev2) and by major occupational groups (acc. ISCO-08).

Job vacancies often come either follow a general definition (all job vacancies) or are restricted to administrative sources (registered with PES)
Conclusions

• Great diversity across countries in terms of data availability, definition of indicators, and statistical practices (data collection, analysis and sharing)

• Several countries show advanced techniques in evidence generation and dissemination

• A next analytical step is to relate the ALMPS statistics to labour market characteristics, including skill matching aspects

• Areas of improvement
  • Frequency of statistical production, analysis and reporting
  • Staff allocation (currently significant shortages)
  • External projects’ reliance (e.g., donors) leads to fragmented datasets – MoL/PES in developing countries should try to develop encompassing monitoring frameworks and work with donors to bring under the same reporting umbrella various projects targeting jobseekers