

Preliminary Key Findings from the Regional Analysis of National
Employment and Labour Market strategic documents and actions
An Overview of employment and labour market measures in the Western
Balkan Economies and recommendations for enhancing their design,
implementation and monitoring
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Structure of the presentation on Key Findings from Regional Analysis of Employment Policy and ALMP

- Project Outline
- Framework for Desk Analysis of Employment Policy from ERPs and ESRPs
- Framework for cataloguing and analysing Active Labour Market Policy
- Employment policy within ERPs and ESRPs – key findings by policy areas
- Employment policy within ERPs and ESRPs – comparative analysis
- Employment policy within ERPs and ERPS – strengths and weaknesses
- ALMPs – comparative analysis
- ALMPs – strengths and weaknesses

Framework for Desk Analysis of Employment Policy

- Task: *Outline the main features of the national employment and labour market strategies, including the Employment and Social Affairs Reform Programmes in the economies where these have been developed and the measures prioritised in the Economic Reform Programmes (Activity 1);*
- Borrowing from the (EEPO) adjusted Europe 2020 Joint Assessment Framework (JAF) which has been developed to monitor the EU Employment Guidelines
- The JAF is an indicator-based assessment system developed and used by the European Commission, the Employment Committee and the Social Protection Committee. **A series of indicators to measure the current situation and trends through time are organised by policy area.**
- Following EEPO / ECE (since 2016) approach, **we record policy reforms by policy areas**, not indicators themselves

Employment Policy Areas (adjusted by European Employment Policy Observatory)

PA 1: Employment protection legislation and other amendments to labour law

PA 2: Active labour market policies (including sub-sections on (i) job creation (ii) employment services (public and private) and skills forecasting systems; (iii) targeted activation measures (including information about the state of implementation of the Youth Guarantee)

PA 3: Social security systems

PA 4: Work-life balance and gender equality

PA 5: Education and training systems

PA 6: Labour Taxation (including undeclared work)

PA 7: Wage setting institutions and dynamics

Creating a catalogue of ALMP and related activities

- *Task 3: Create a catalogue of recent, current and planned national employment and labour market measures,*
- *In particular those referring to active labour market policies and Public Employment Services*
- *From which case examples can be developed and*
- *Around which peer reviews can be organised*

Our approach – using Labour Market Policy Statistics – Eurostat 2013 Methodology

- The scope of the LMP database covers all labour market *interventions* which can be described as:

Public interventions in the labour market

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.***

- Employment policy – enhancing LM efficiency
- Labour Market Policy – a subset of Employment Policy enhancing LM efficiency AND promoting LM equity

Public interventions refer to actions taken by general government in this respect which **involve expenditure**, either in the form of actual disbursements or of foregone revenue (reductions in taxes, social contributions or other charges normally payable).

Labour Market Policy – main types of intervention

1. LM Services

- **Labour market services** are 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.
- **LM Services** also cover other **functions of the PES** that are **not directly linked to participants**. This includes placement and other services for employers, administrative functions, general overheads etc.

2. LM Measures = Active labour market programmes, plus sheltered employment and similar measures

1+2 = Active labour market policy

3. LM Supports = Passive labour market policy - refer to interventions that provide financial assistance, directly or indirectly, to individuals for labour market reasons or which compensate individuals for disadvantage caused by labour market circumstance (not part of our Project)

Types of intervention: 1. LMP services

1.1. Client services

1.1.1. Information services

1.1.2. Individual case management

1.2. Other activities of the PES

1.2.1. Administration of LMP measures

1.2.2. Administration of LMP supports

1.2.3. Other services / activities

Types of intervention: 2. LM Measures

- **Measures** refer to labour market interventions where the main activity of participants is **other than job-search related** and where **participation usually results in a change in labour market status**.
- An activity that does not result in a change of labour market status may still be considered as a measure if the intervention fulfils the following criteria:
 - **the activities** undertaken are not job-search related, **are supervised and constitute a full-time or significant part-time activity** of participants during a **significant period of time**, and
 - the aim is to improve the **vocational qualifications** of participants, or
 - the intervention provides **incentives to take-up or to provide employment (including self-employment)**.

Classification of LM Measures

2. Training

2.1. Institutional training 2.2. Workplace training 2.3. Alternate training 2.4. Special support for apprenticeship

4. Employment incentives

4.1. Recruitment incentives

4.1.1. Permanent 4.1.2. Temporary

4.2. Employment maintenance incentives

4.3. Job rotation and job sharing (former class 3.)

4.3.1. Job rotation 4.3.2. Job sharing

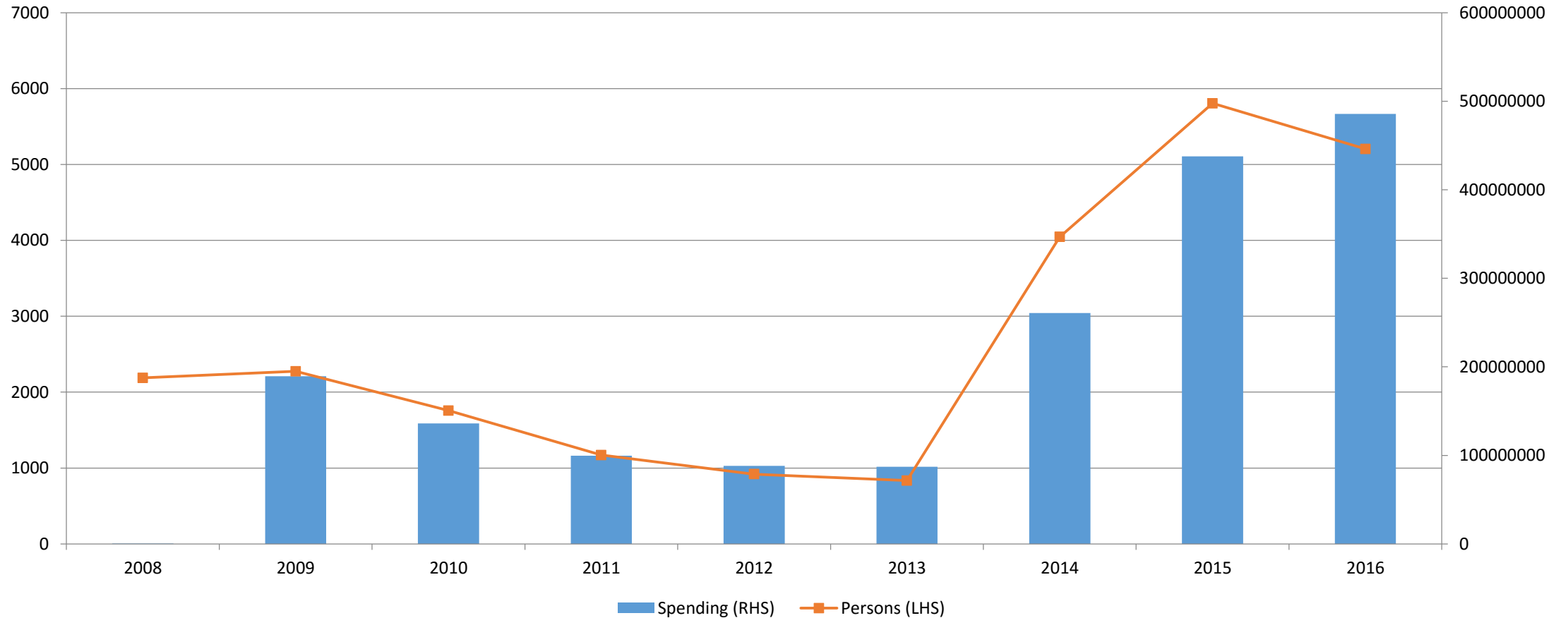
5. Sheltered and supported employment and rehabilitation

5.1. Sheltered and supported employment 5.2. Rehabilitation

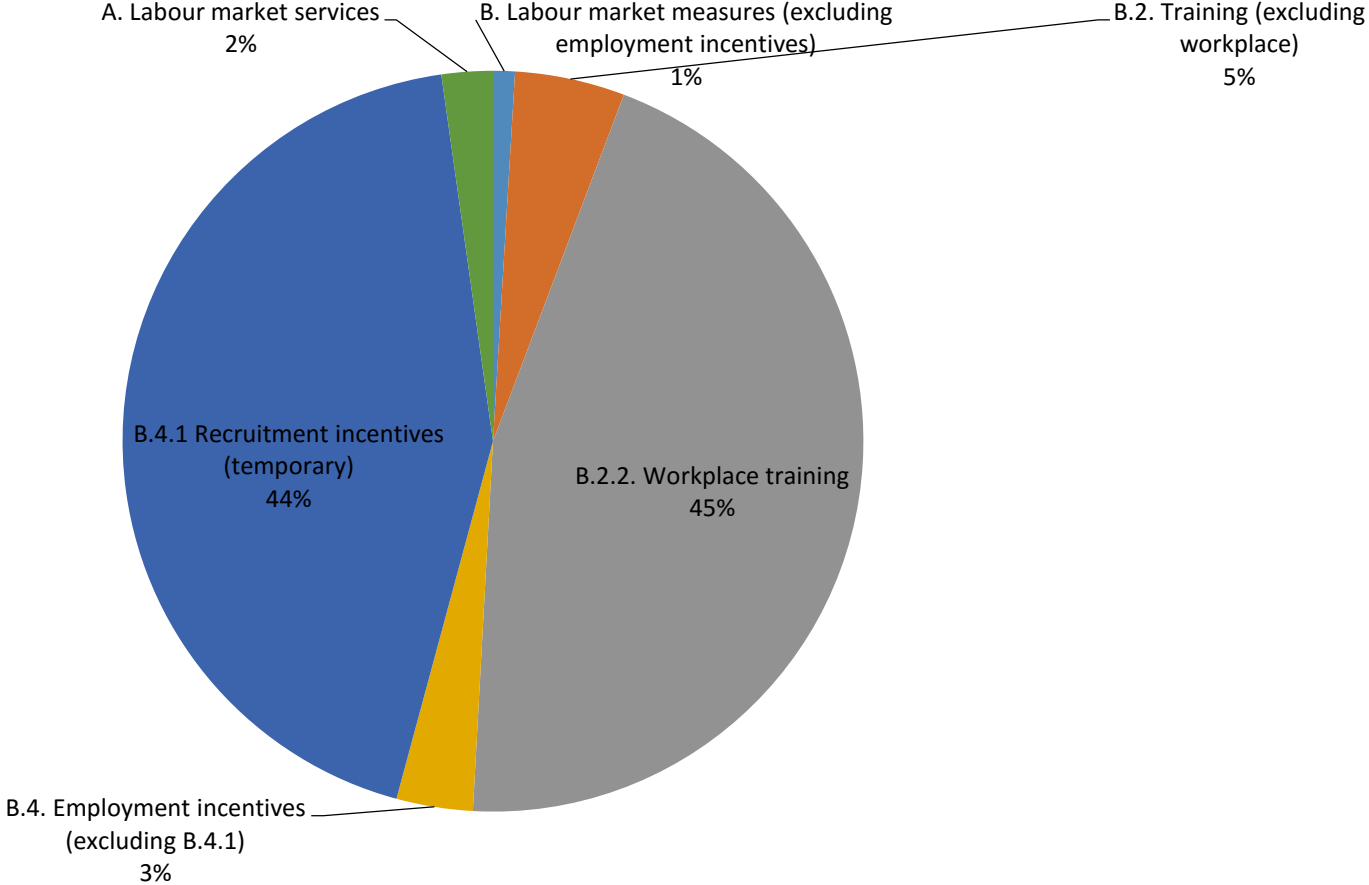
6. Direct job creation

7. Start-up incentives

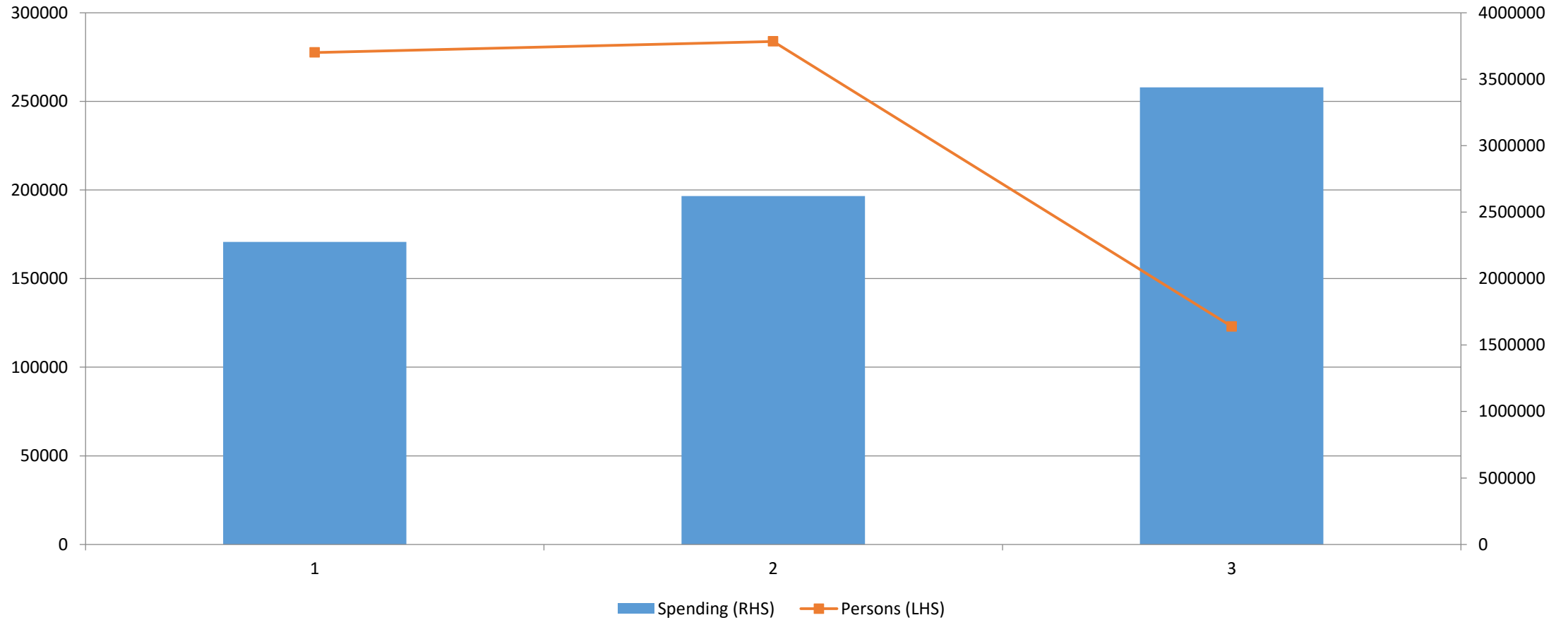
Albania - Spending and number of participants (absolute numbers)



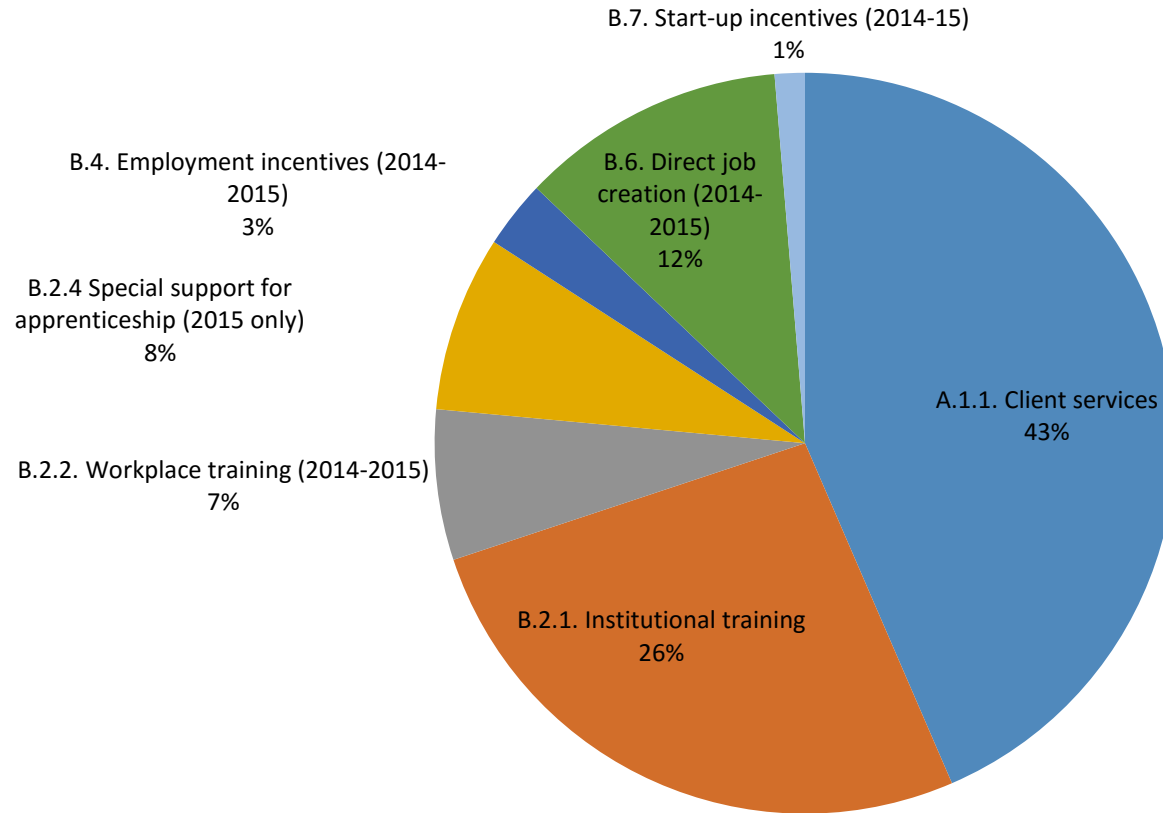
Albania - Allocation of expenditures across categories of intervention



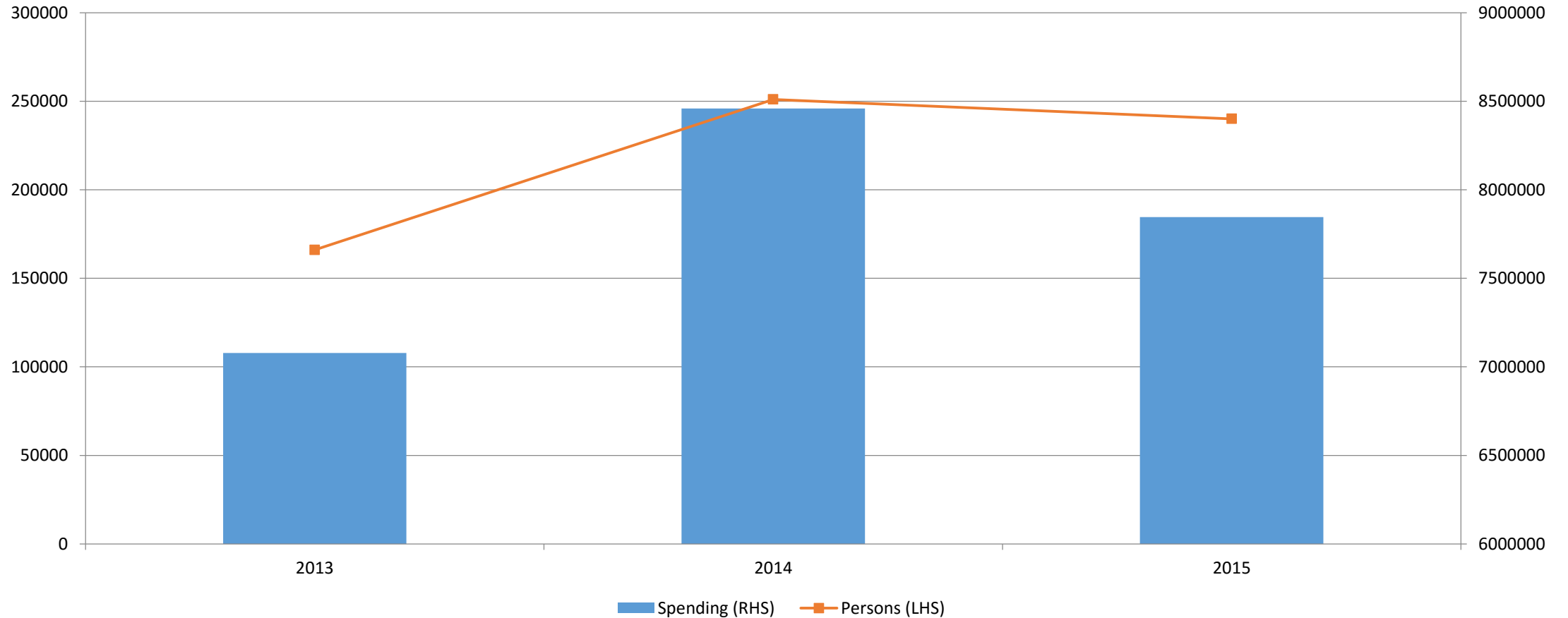
Kosovo* - Spending and number of participants (absolute numbers)



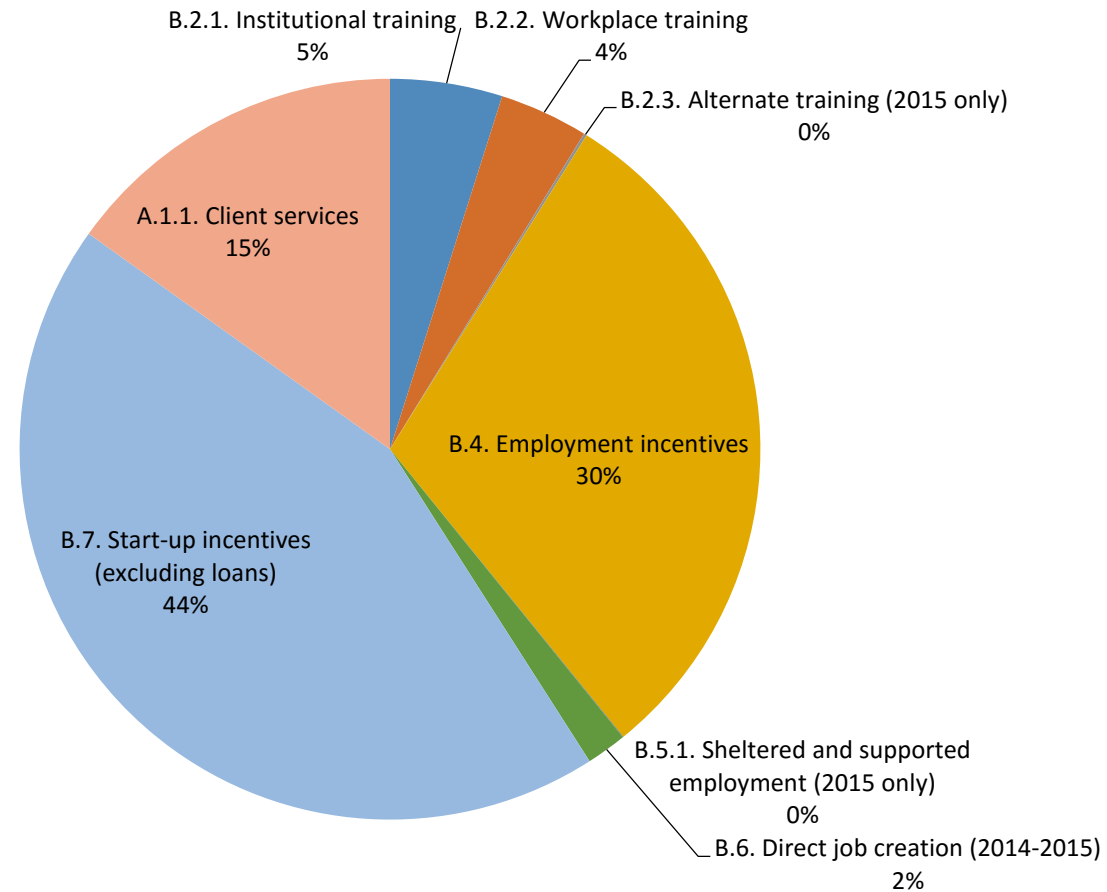
Kosovo* - Allocation of expenditures across categories



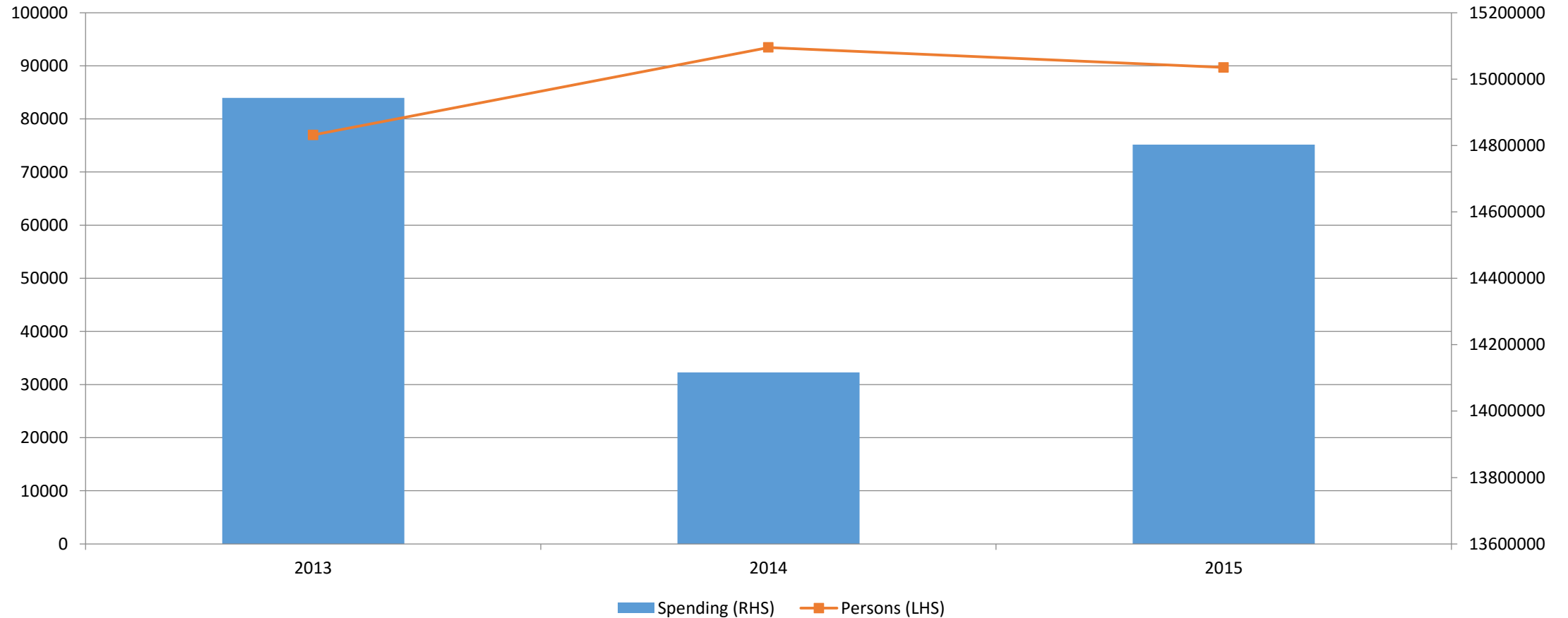
Macedonia, FYR - Spending and number of participants (absolute numbers)



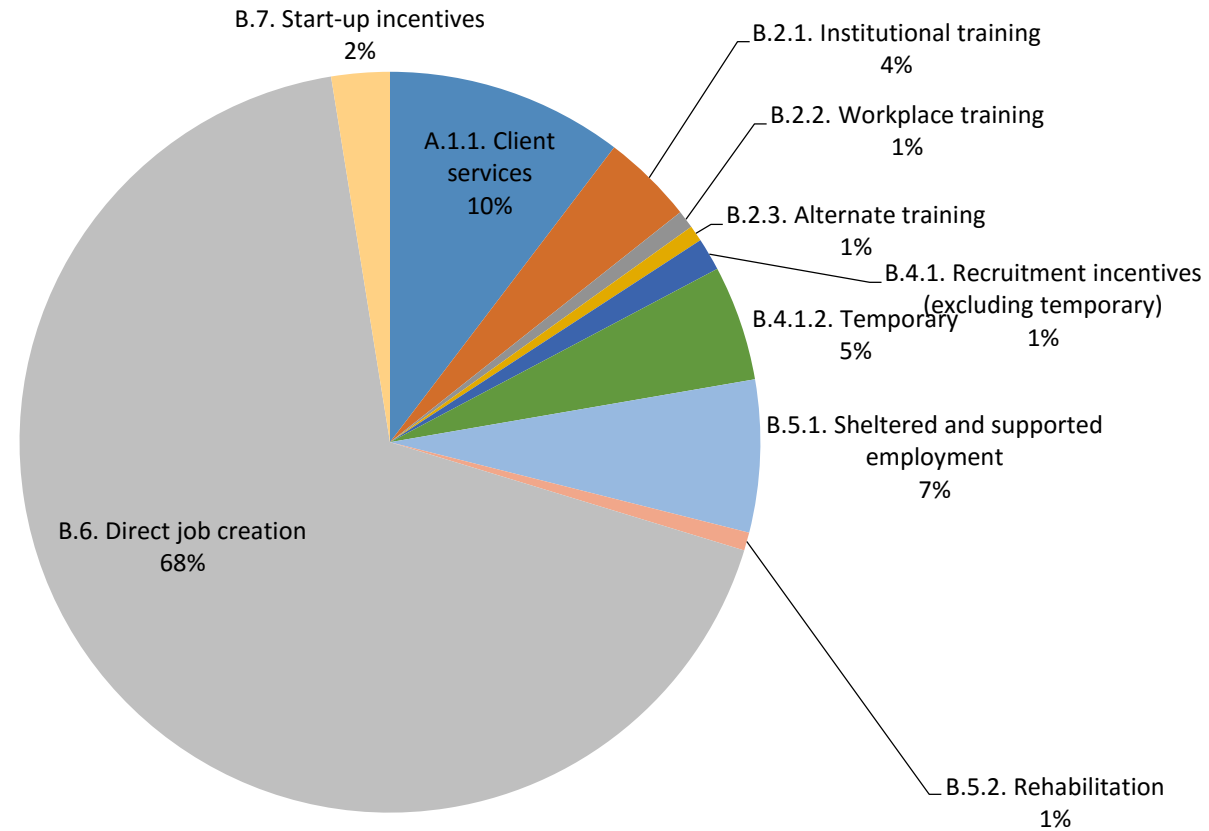
Macedonia, FYR - Allocation of expenditures across categories



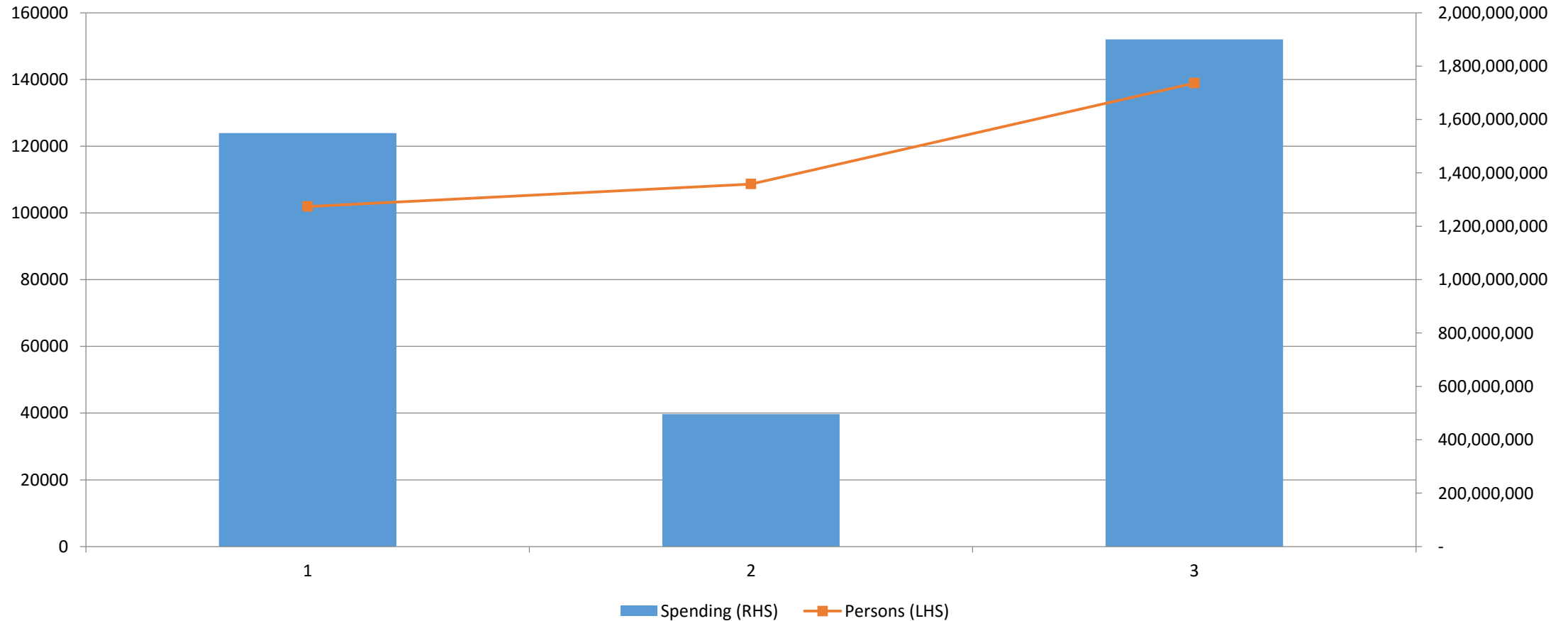
Montenegro - Spending and number of participants (absolute numbers)



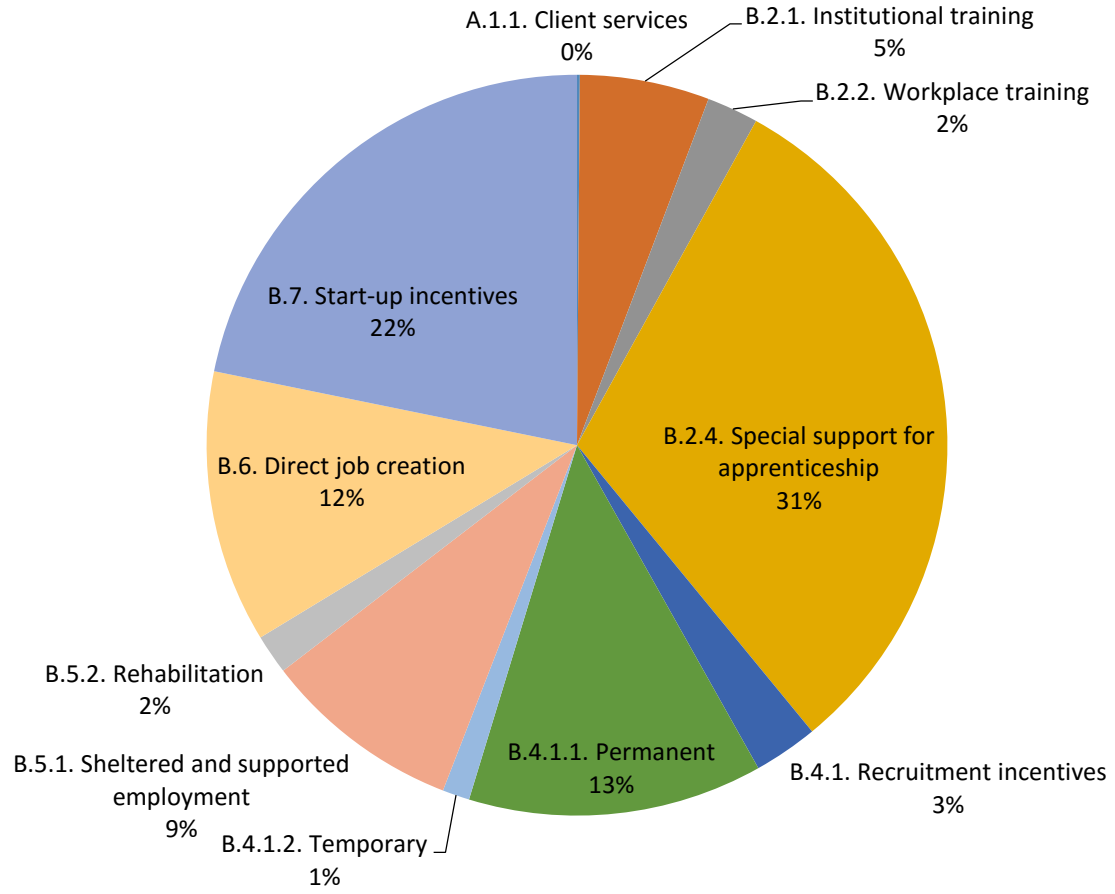
Montenegro - Allocation of expenditures across categories



Serbia - Spending and number of participants (absolute numbers)



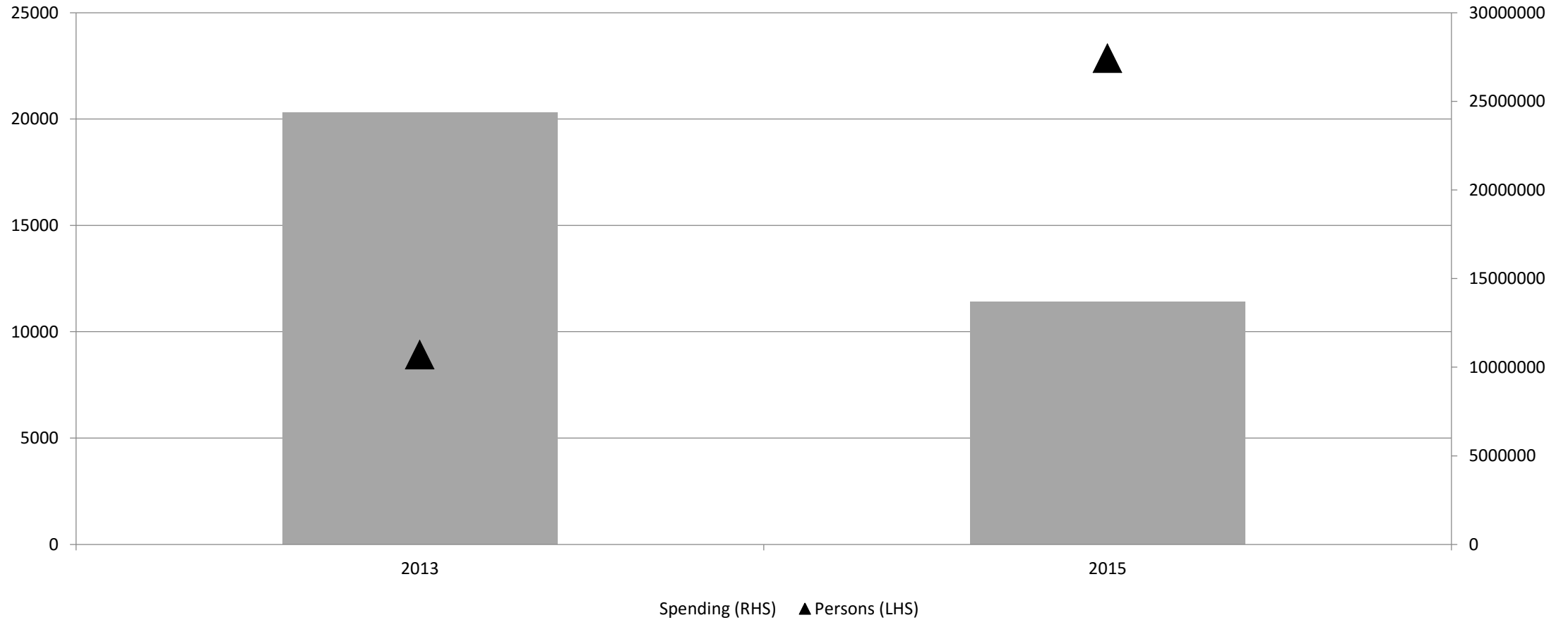
Serbia - Allocation of expenditures across categories



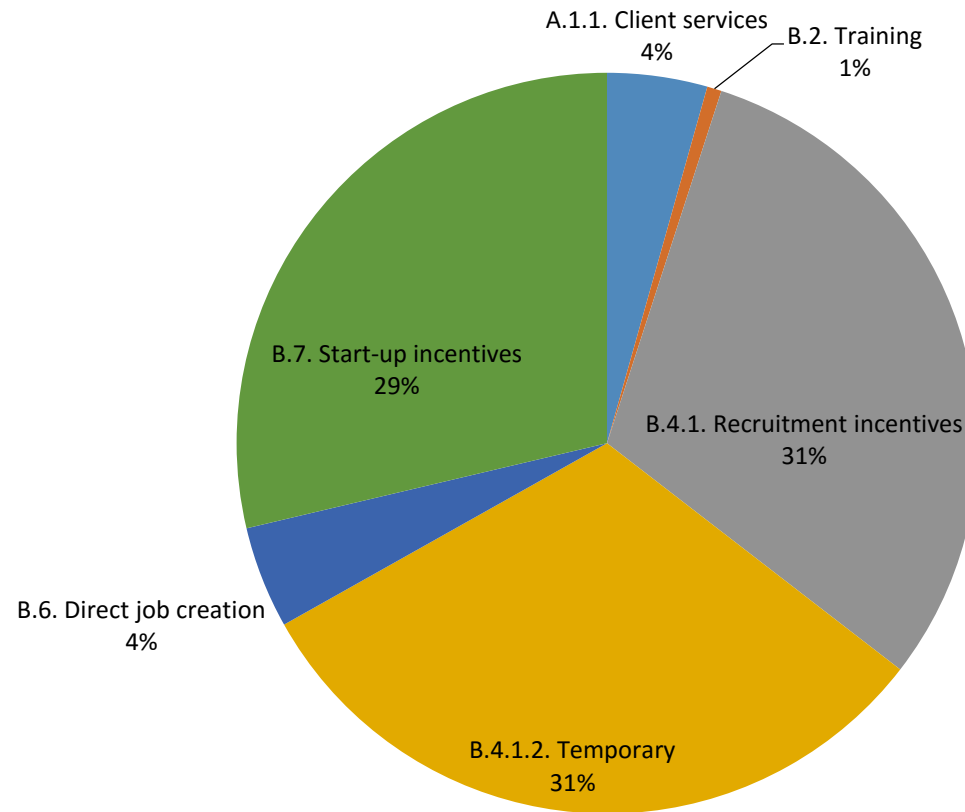
Serbia 2015 – portfolio of ALMPs

Active Job Search Training - ATP1	A.1.1. Client services
Self-efficiency Training - ATP2	A.1.1. Client services
Job Clubs	A.1.1. Client services
Employment Fairs	A.1.1.1. Information services
Professional practice programme	B.2.4. Special support for apprenticeship
Acquisition of practical skills	B.4.1.2. Temporary
Training for the labour market	B.2.1. Institutional training
Training at the request of employer	B.2.2. Workplace training
Functional basic education of adults	B.2.1. Institutional training
Subsidies for self-employment	B.7. Start-up incentives
Employer subsidies for new jobs	B.4.1.1. Permanent
Public works	B.6. Direct job creation
Wage subsidies for PWD without experience	B.4.1.1. Permanent
Measures supporting PWD	B.4.1. Recruitment incentives
Training for development of entrepren.	B.7. Start-up incentives
Subsidies for social assistance benefic.	B.4.1.1. Permanent
Workshop for job loss stress alleviation	A.1.1. Client services
Employer SSC subsidy (waiver)	B.4.1. Recruitment incentives
Upfront UB subsidy for self-employment	B.7. Start-up incentives
Wage subsidies for PWD social enterprises	B.5.1. Sheltered and supported employment
Rehabilitation subsidies for PWD SE	B.5.2. Rehabilitation
30% UB stimulus for employment	B.4. Employment incentives

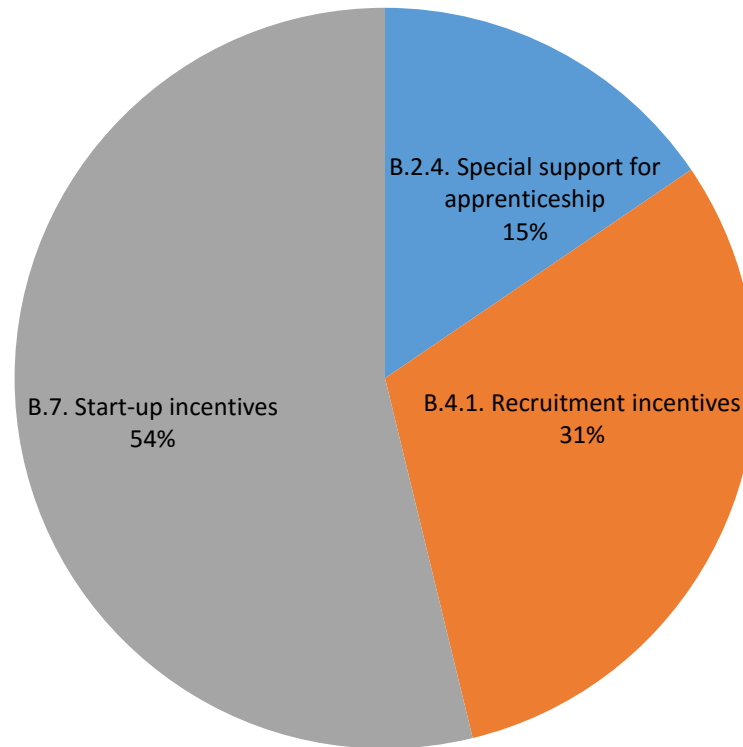
Bosnia and Herzegovina Spending and number of participants (absolute numbers)



BiH - Allocation of expenditures across categories – F BiH (2015 only)

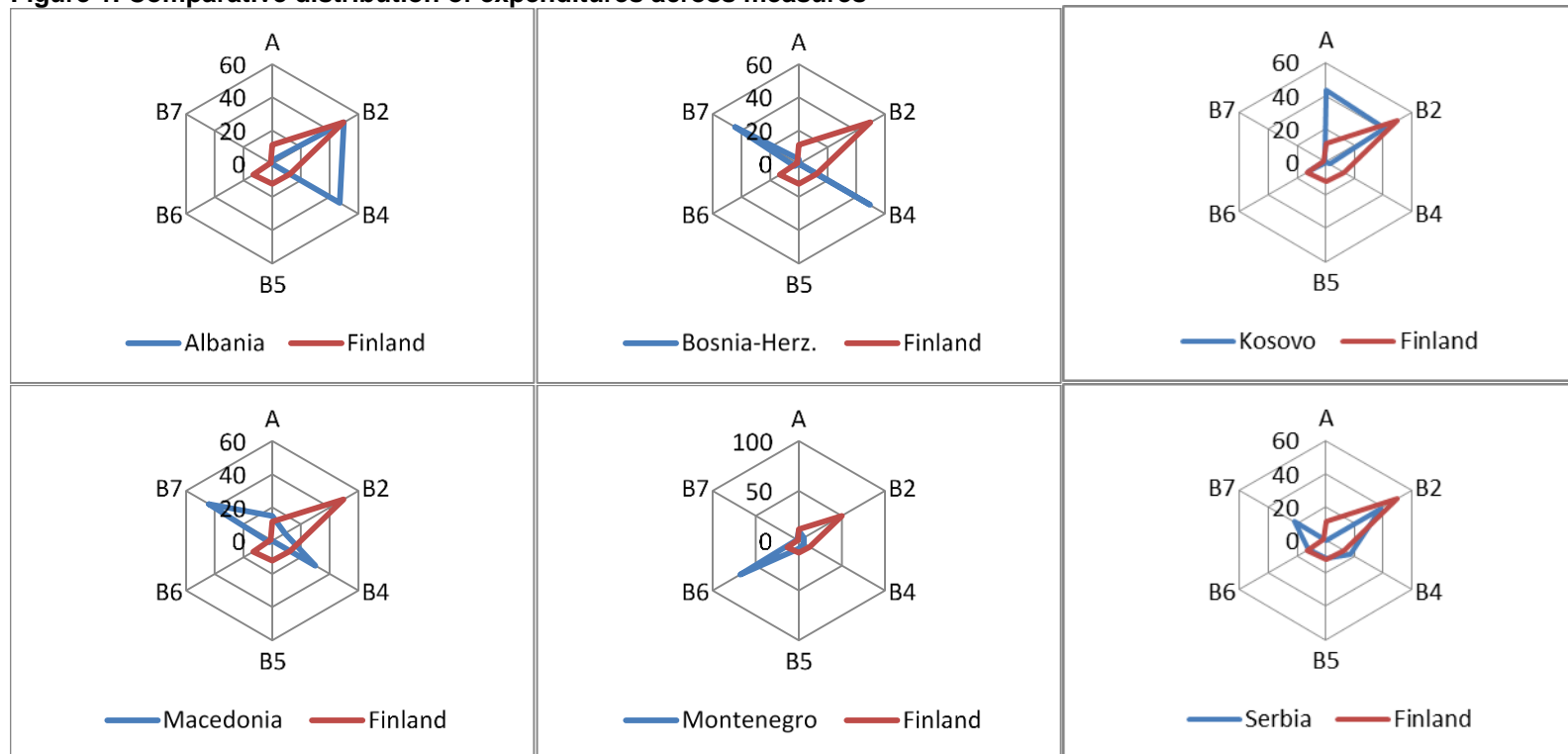


BiH - Allocation of expenditures across categories – Republika Srpska

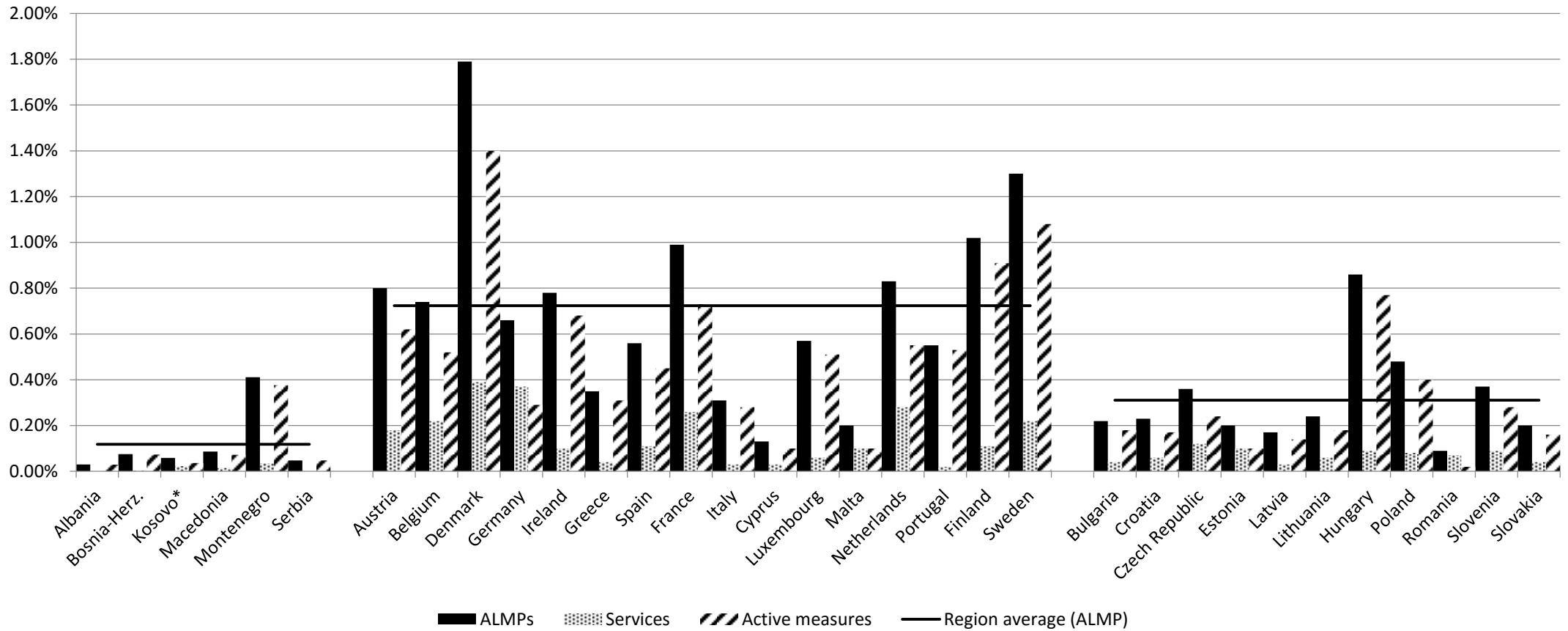


Comparative distribution of expenditures across interventions

Figure 1. Comparative distribution of expenditures across measures



ALMP spending as a share of GDP in the Western Balkans and the EU, total and by category



Preliminary recommendations related to designing and monitoring active labour market interventions

- Increase share of ALMP in GDP or at least preserve stability of expenditures
- Have a balanced portfolio of measures
- Avoid relying on one large programme or on one group of interventions
- Consolidate small programmes since they imply higher operational costs per participant
- Target more expensive programmes toward deeply vulnerable individuals
- Introduce fully fledged Eurostat methodology for monitoring LMP – and conduct in house cost benefit and impact assessment analyses

