



FACES OF JOBLESSNESS

A PEOPLE-CENTRED PERSPECTIVE ON EMPLOYMENT BARRIERS AND POLICIES

Understanding Barriers to Higher Employment and Activity
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www.oecd.org/social/faces-of-joblessness.htm



Faces of Joblessness

Premise and rationale

- The circumstances of jobless people are often “messy”
- But this is not systematically reflected in how we approach policy, or the statistics that feed into policy design and delivery
- There is a need for good-quality information that captures the complexity of the employment difficulties that people face
- People-centred info on employment barriers would help to:
 - ✓ facilitate a cross-sectoral perspective on policy challenges
 - ✓ **targeting & tailoring** policy interventions
 - ✓ **integrating services** in a way that works for policy “clients”
 - ✓ consider **priorities** among competing challenges
 - ✓ understand **why** different policy approaches work (or not)
 - ✓ move from **general principles** of what works, to conversation on **specifics** and **implementation**
 - ✓ **Broaden out policy options** that are “on the table”



Faces of Joblessness

Objectives

Provide a systematic view on complex circumstances

Align statistics & indicators with real-world experience of joblessness

- ➔ **Map** of “disadvantaged”, “vulnerable” groups. Who are they ?
- ➔ What **employment barriers** do they face ?
- ➔ What **policy levers** to tackle those barriers ?



Faces of Joblessness

Linking policy debates with circumstances “on the ground”

**activation & employment
support policies**

**Large group of jobless,
complex & ‘messy’
circumstances**



Faces of Joblessness

Linking policy debates with circumstances “on the ground”





Gaps in existing information

Existing **high-level** labour-market indicators contain little information on relevant employment barriers...

- ⚠ standard breakdowns (age, sex, ...)
- ⚠ no clear link with problems to be addressed
(*“being young is not a barrier”*)
- ⚠ largely individual-based, little family context

Existing **in-depth** profiling systems designed for needs of specific process / institution (e.g., PES)...

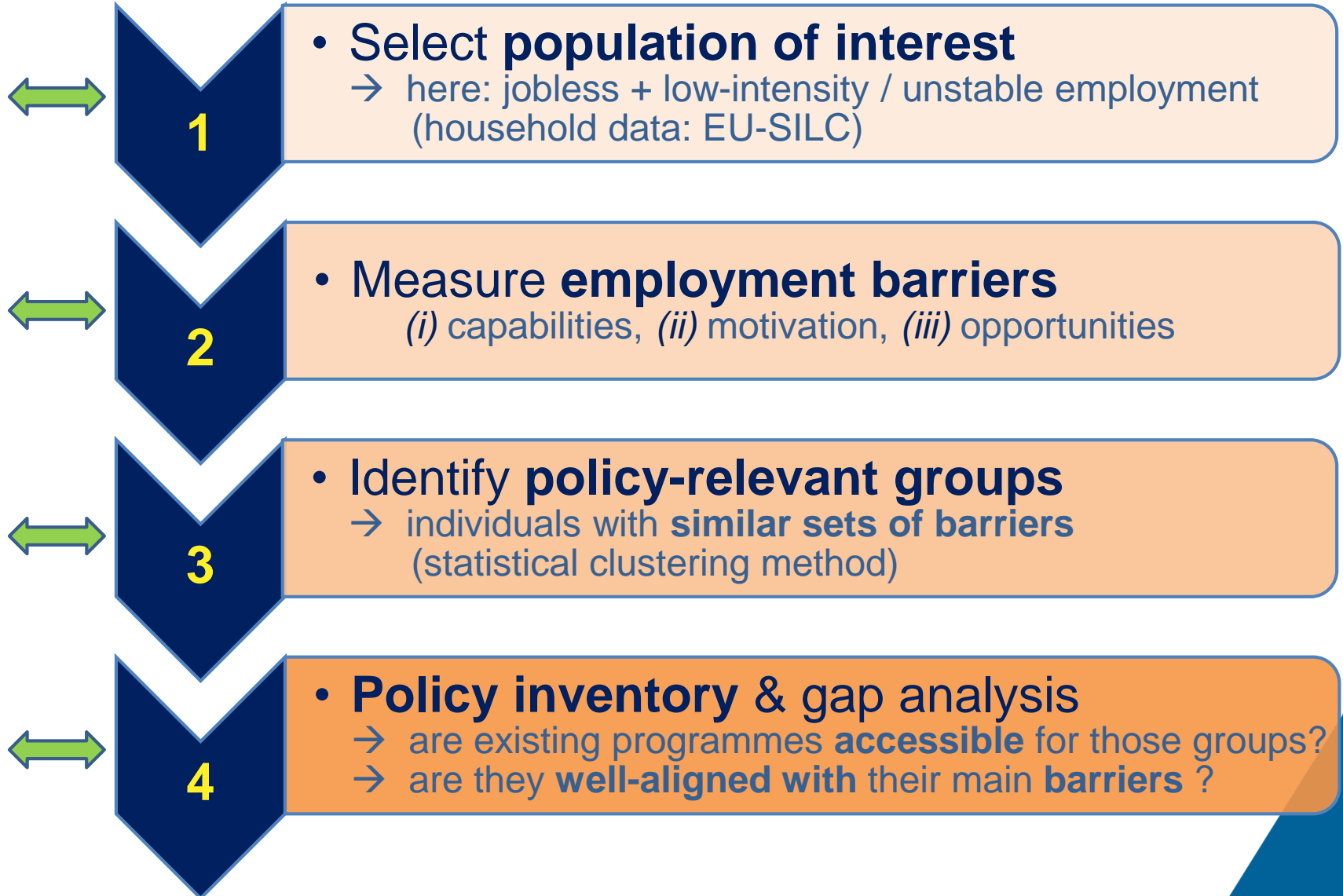
- ⚠ generally not used for higher-level policy dialogue
- ⚠ may not capture circumstances relevant for key policy areas, eg. care responsibilities, incentives
- ⚠ miss big parts of jobless, eg. only registered unemployed



Filling the gap: Main steps

People-centred, “bottom-up” approach

Country dialogue





A joint effort

- Initially a 2-year project 2016/2017, innovative partnership:

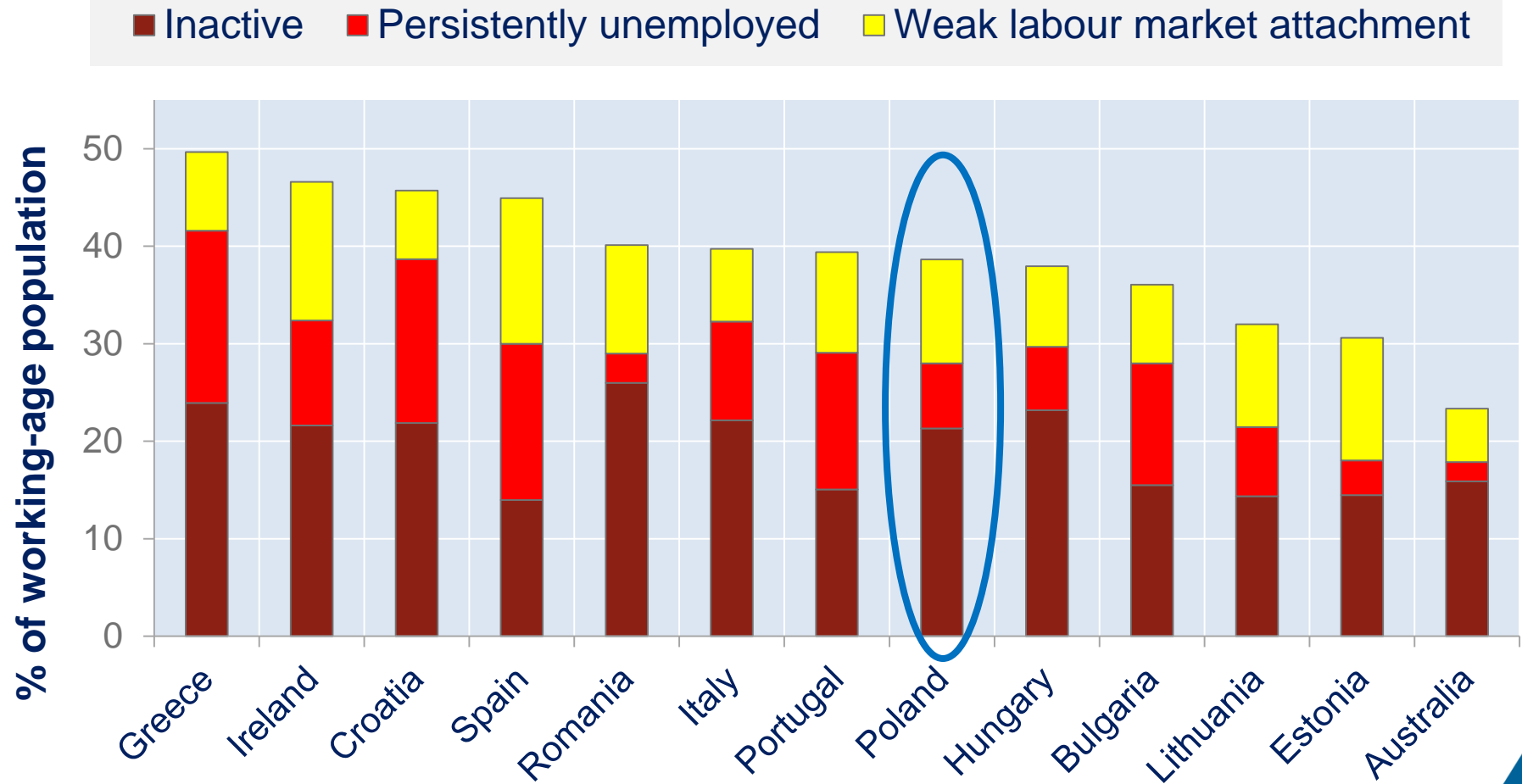


- Unified method and broadly similar process / outputs
- Extensions @OECD:** eg Australia, Finland, France, Ireland, Italy, Lithuania
- Main findings**
 - ✓ employment difficulties **very** different across countries & groups
 - ✓ indicates **different needs for support**, even in demographically similar population segments (“older workers”, “youth”, “mothers”)
 - ✓ traditional ways of presenting LM statistics cannot capture this
 - ✓ large majority face **multiple barriers**
 - ✓ existing programmes sometimes of right type but **poor access, coordination**
 - ✓ input into **OECD country policy reviews, European Semester**



Scope for labour-market integration measures

Untapped sources of employment growth



18-64, excluding students, military service

Source: EU SILC and HILDA 2014

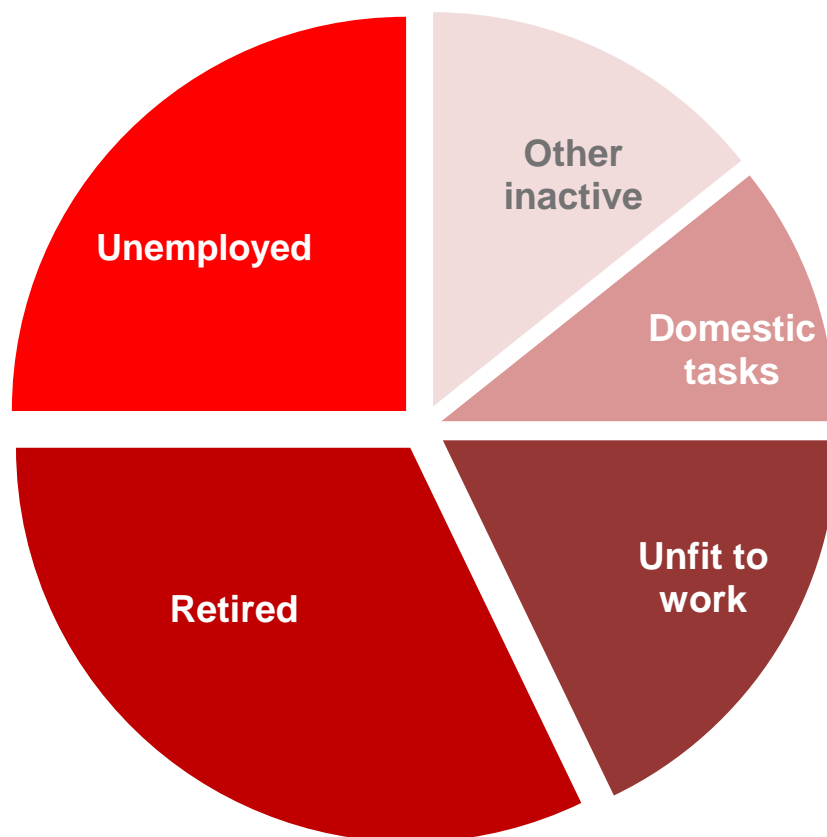


Individuals with potential employment difficulties



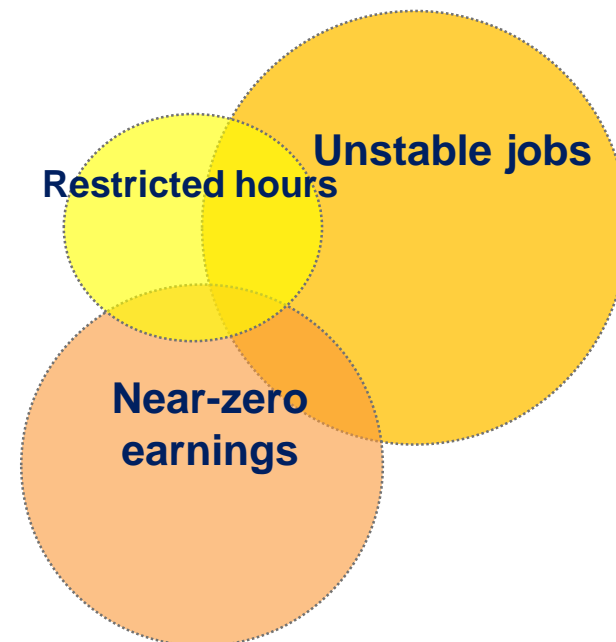
Out of work

28% of working-age individuals



Weak labour-market attachment

11% of working-age individuals





What difficulties?

A typology of employment barriers



Work-related capabilities

- Education / skills
- Work experience
- Health problems
- Care responsibilities



Motivation / Incentives

- Out-of-work benefits
- Tax burdens on in-work earnings
- Non-labour incomes
- Earnings of other family members



Opportunities

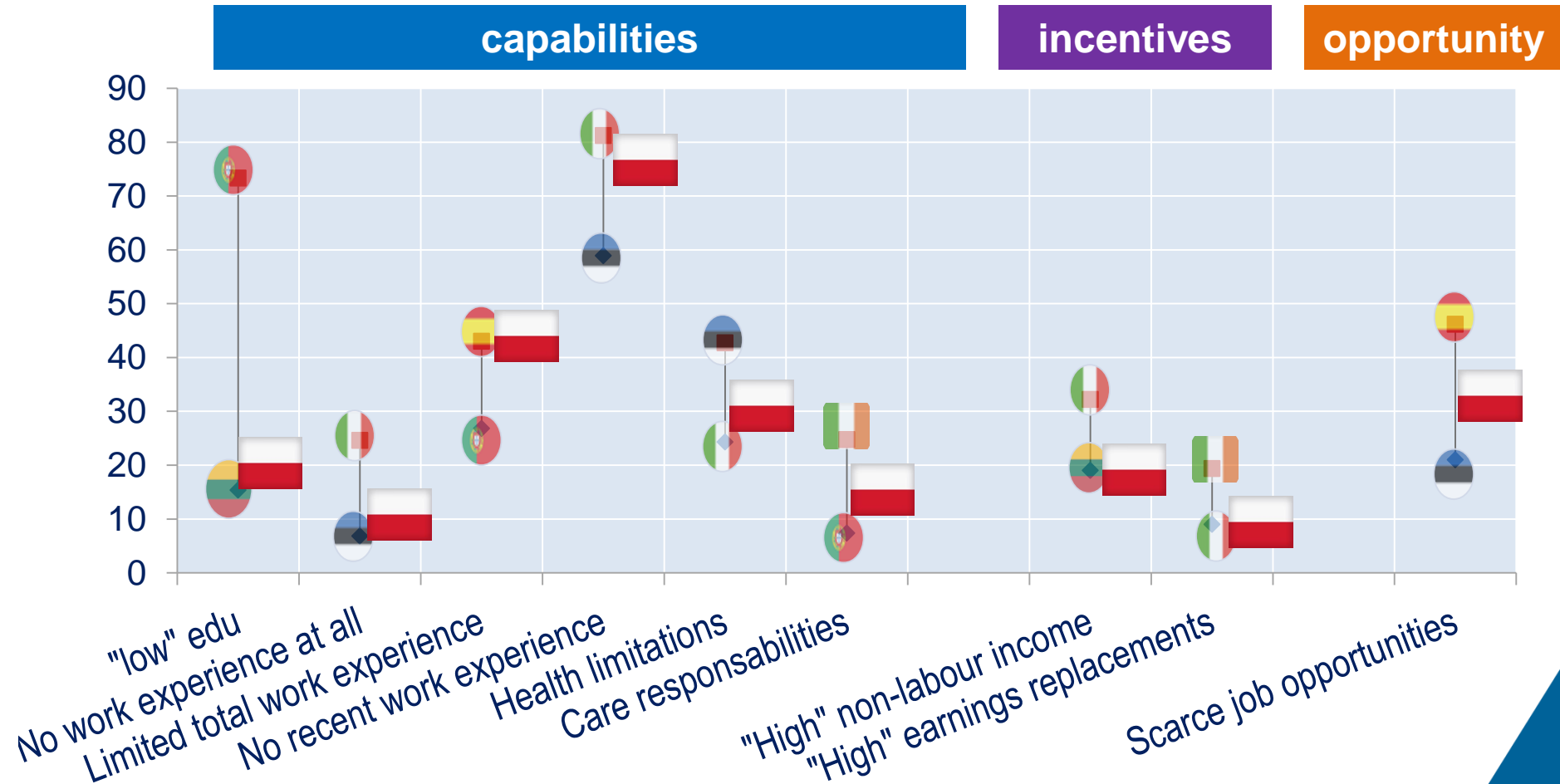
- Cyclical labour-market weakness
- Limited hiring in relevant labour-market segment (eg, region, education)



Employment barriers

Incidence across countries

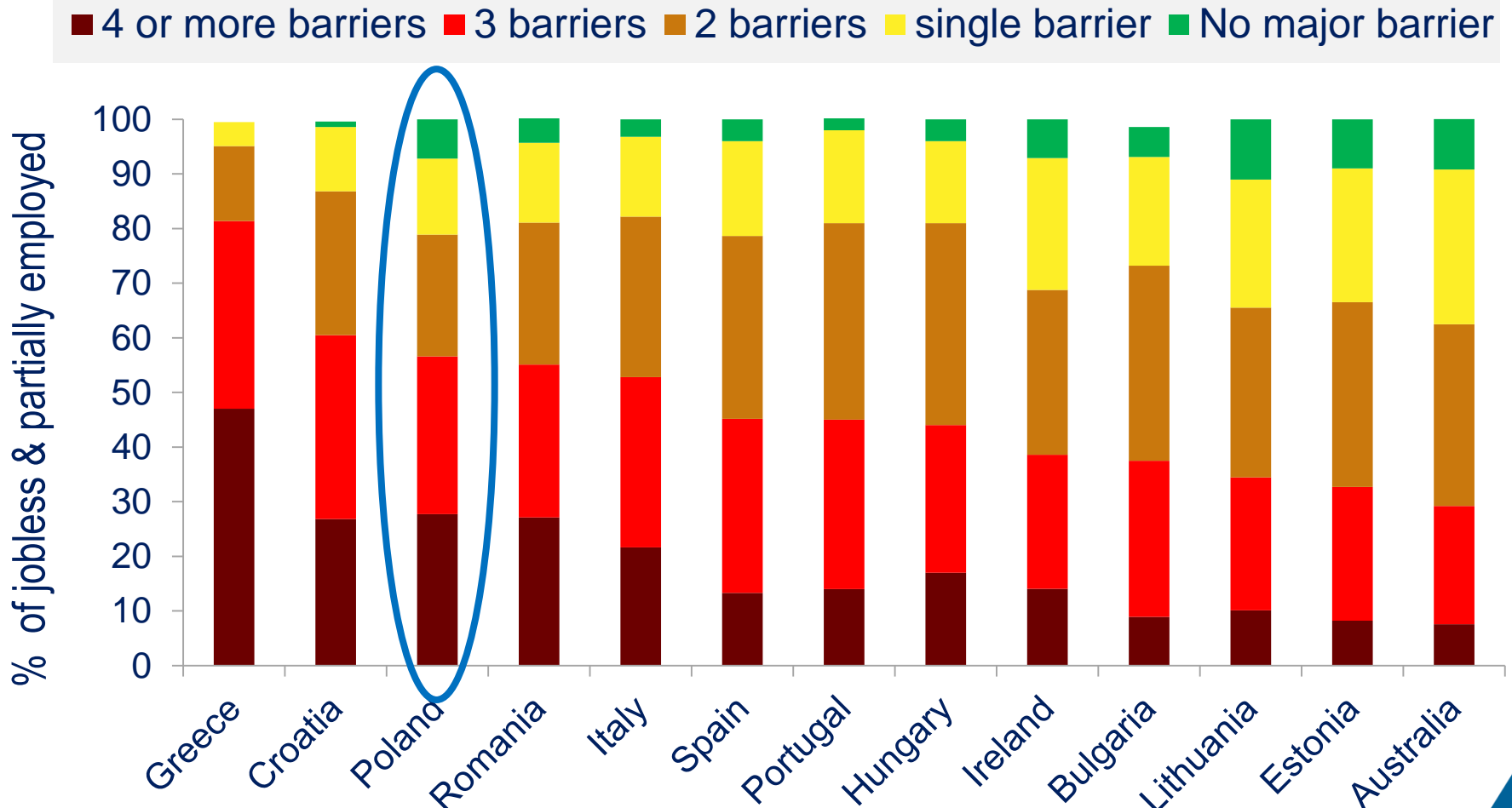
% of individuals with potential labour market difficulties



Sources: Estonia, Ireland, Italy, Lithuania, Portugal, Spain: OECD project "Faces of Joblessness".
Poland: World Bank project "Portraits of Labor Market Exclusion".
Links to all studies are in final slide.



Most face multiple barriers



Sources: Australia, Estonia, Ireland, Italy, Lithuania, Portugal, Spain: OECD project "Faces of Joblessness".
Bulgaria, Croatia, Greece, Hungary, Poland, Romania: World Bank project "Portraits of Labor Market Exclusion".
Links to all studies are in final slide.



Large number of distinct groups

**“Older
inactive men”**

5%
low skills,
disincentives
(pensions)
also ITA

**‘Educated
older
inactive’ -**

2%
disincentives
poor health,

**“low-income inactive
women” 33%**

middle age,
little work experience,
poor health
also EST, LTU, PRT

**“labour-market
inactive mothers”**

23%
care responsibilities,
no past work
experience
also ITA, LTU

**“Rural
mothers in
precarious
work”**

7%
care, unskilled

**“Young long-term
unemployed
women”**

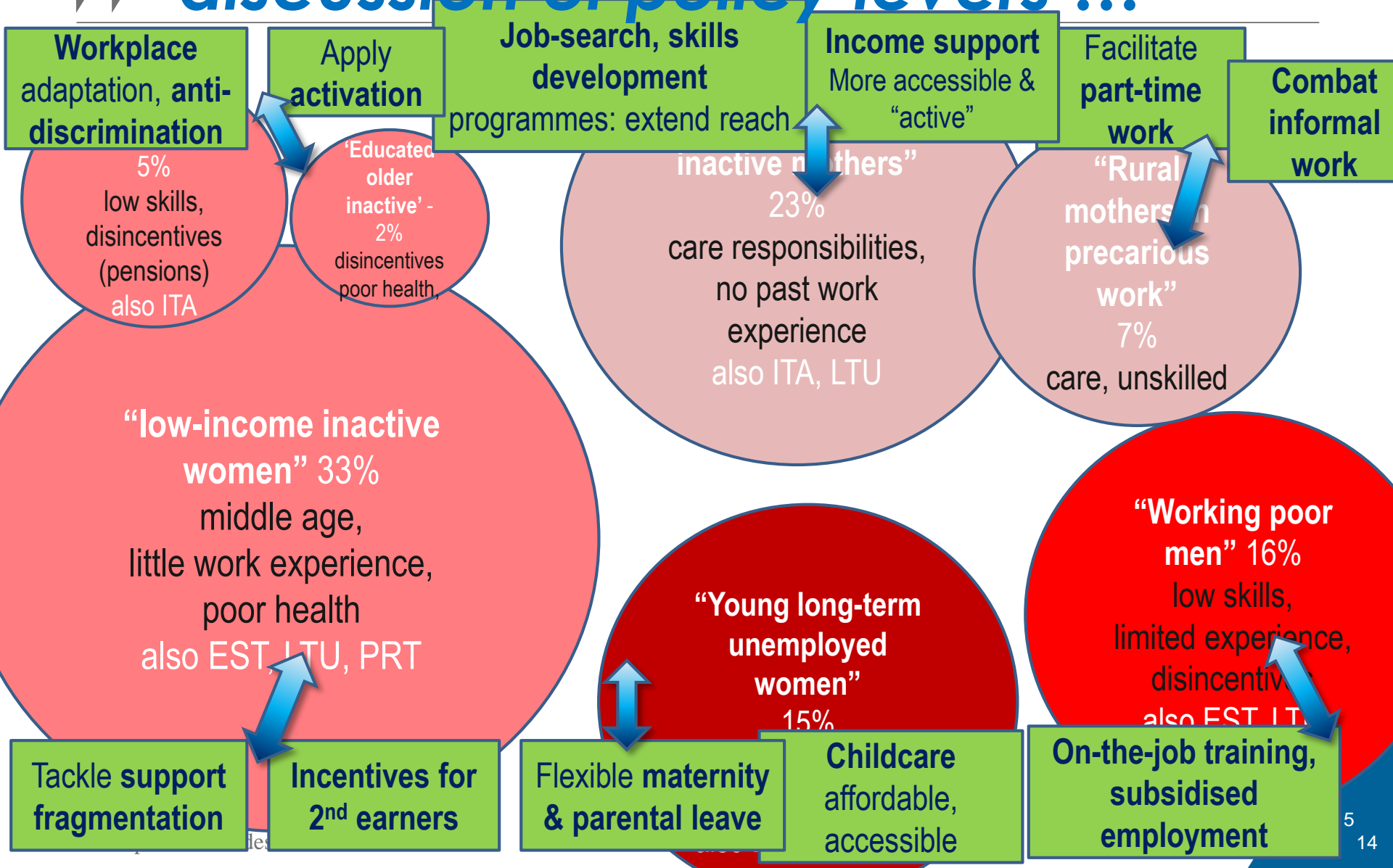
15%
educated but poor job
opportunities
also ESP, ITA, LTU

**“Working poor
men” 16%**

low skills,
limited experience,
disincentives
also EST, LTU

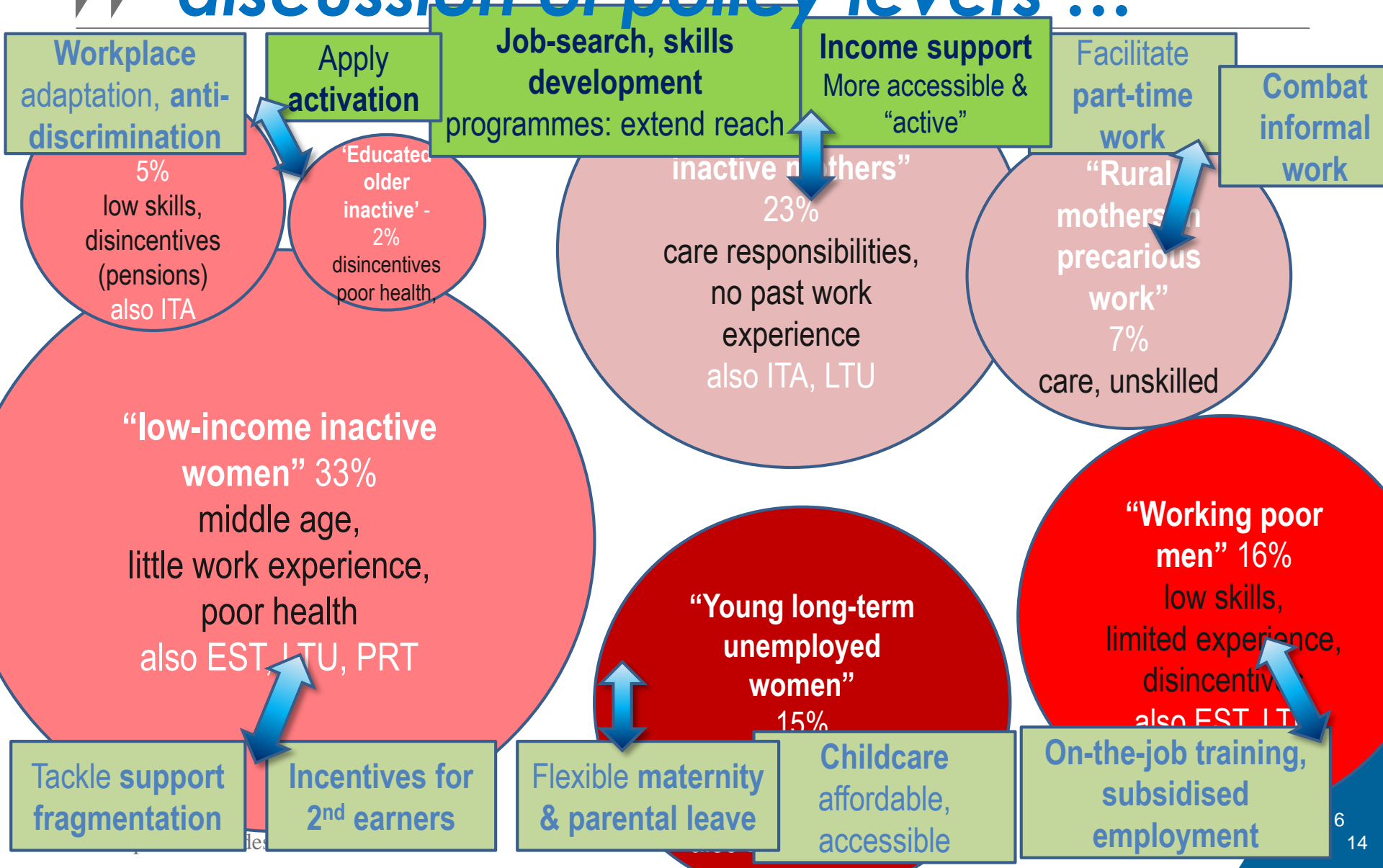


Map of barriers facilitates discussion of policy levers ...





Map of barriers facilitates discussion of policy levers ...



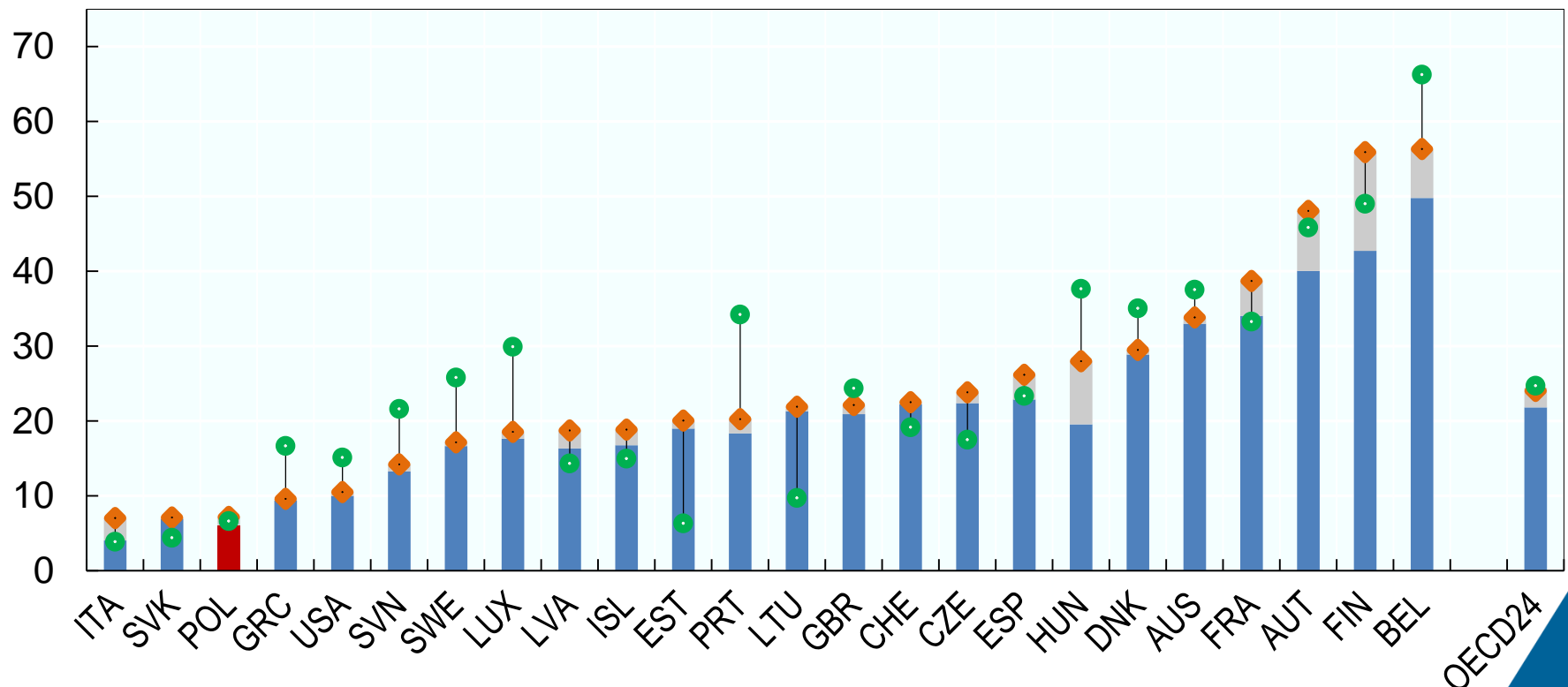


Employment-oriented support is crucial ... but its current reach is minimal

Fewer than one in ten jobseekers receive unemployment benefits

Coverage among 'jobseekers' (unemployed plus discouraged workers)

■ ILO unemployed ■ discouraged ◆ coverage 2016 (↑) ● coverage 2007





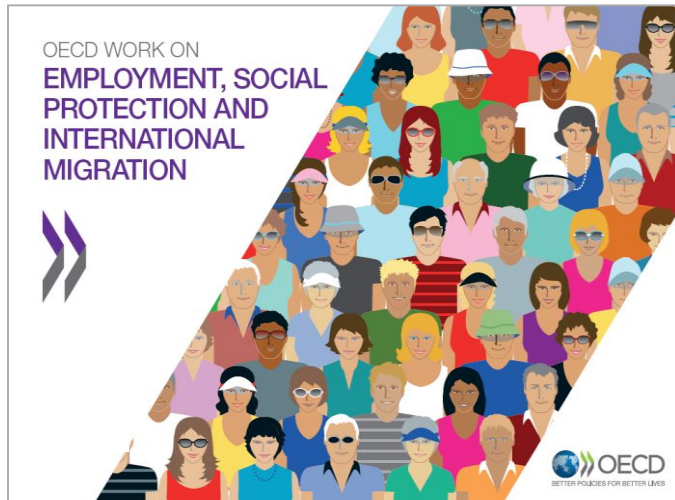
What next? Summary and outlook

- **Patterns of LM problems heterogeneous & evolving**
- **The *Faces of Joblessness* approach provides concrete results by adopting a people-centred perspective to**
- **Potential as a regular high-level monitoring tool**
 - potential **sources of employment growth**
 - complement existing institution/sector-specific profiling
 - identify **policy gaps, access problems**
 - **Multiple barriers** → need for coordination, suitable sequencing
- **Country-specific follow-ups & extensions:**
 - Extension to **further countries** and policy reviews (FIN: KELA, CZE, SVK, ITA, AUS)
 - “zoom in” on selected labour-market groups (LTU, IRL),
 - Added granularity using **other/national data** sources (ESP)
 - Empirical work to explore **links barriers** → (re-)employment



Thank you

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Links & further information:

OECD *Faces of Joblessness*: All country studies in the [OECD Social, Employment and Migration Working Paper](#) series.

World Bank results on Poland and other countries: [Portraits of Labor Market Exclusion](#).

[Connecting People with Good Jobs](#)

www.oecd.org/social/benefits-and-wages.htm

[Skills and Work](#)

[Investing in Youth](#)

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