

FACES OF JOBLESSNESS

A PEOPLE-CENTRED PERSPECTIVE ON EMPLOYMENT BARRIERS AND POLICIES

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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:
 - identify untapped sources of employment growth
 - ✓ 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 approaches work (or not)
 - move from general principles of what works, to conversation on specifics and implementation

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"

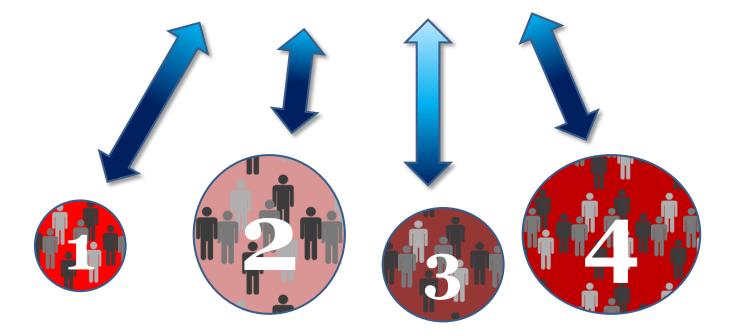




Faces of Joblessness

Linking policy debates with circumstances "on the ground"

activation & employment support policies



Available existing information is incomplete

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

- ♠ 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



4

Select population of interest

→ here: jobless + low-intensity / unstable employment (household data: EU-SILC)



2

Measure employment barriers

(i) capabilities, (ii) motivation, (iii) opportunities



3

Identify policy-relevant groups

→ individuals with similar sets of barriers (statistical clustering method)



Policy inventory & gap analysis

- → are existing programmes accessible for those groups?
- → are they well-aligned with their main barriers?



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

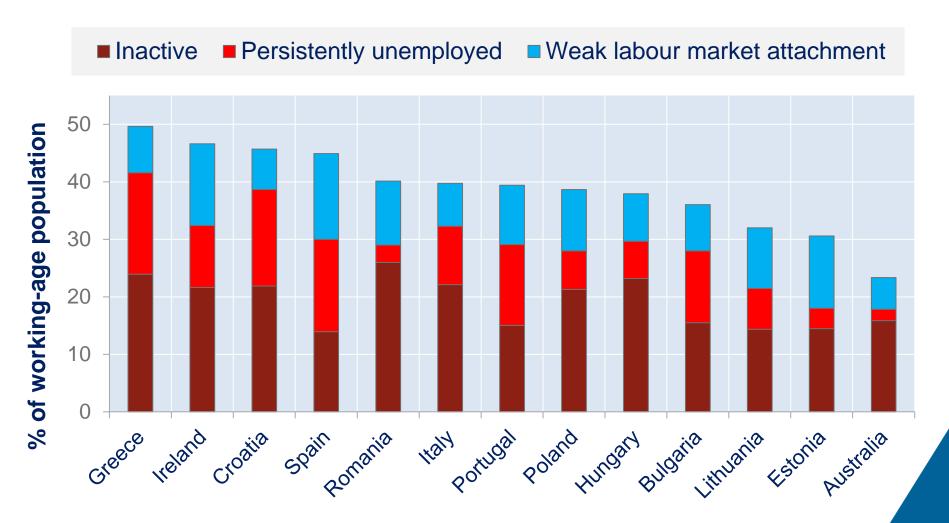




- Unified method and broadly similar process / outputs
- Extensions @OECD: eg Australia, Finland, France, Ireland, Italy, Lithuania
- Main findings
 - ✓ employment difficulties very different across countries & groups
 - ✓ indicates different needs for support, even in demographically similar population 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



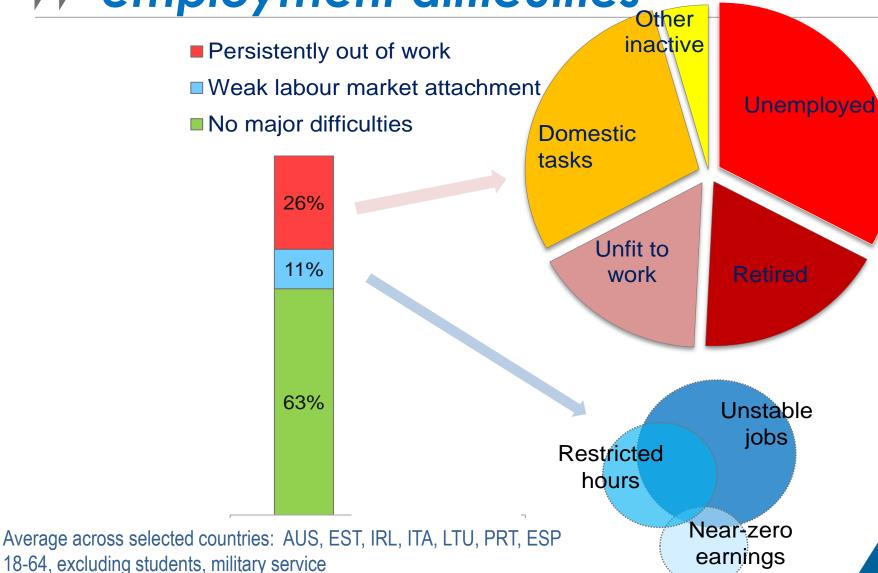
Scope for labour-market integration measures. Up to half have potential difficulties





Source: EU SILC and HILDA 2014

"Individuals with potential employment difficulties"



6



"Individuals with potential employment difficulties"

- Persistently out of work
- Weak labour market attachment
- No major difficulties

inactive

Unemployed

Other

Domestic tasks

- ➤ What are untapped sources of employment growth?
- ➤ What is the scope for labour-market integration policies?

Restricted hours

Near-zero earnings

Unstable

JODS

Average across selected countries: AUS, EST, IRL, ITA, LTU, PRT, ESP

18-64, excluding students, military service

Source: EU SILC and HILDA 2014



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 inwork earnings
- Non-labour incomes
- Earnings of other family members

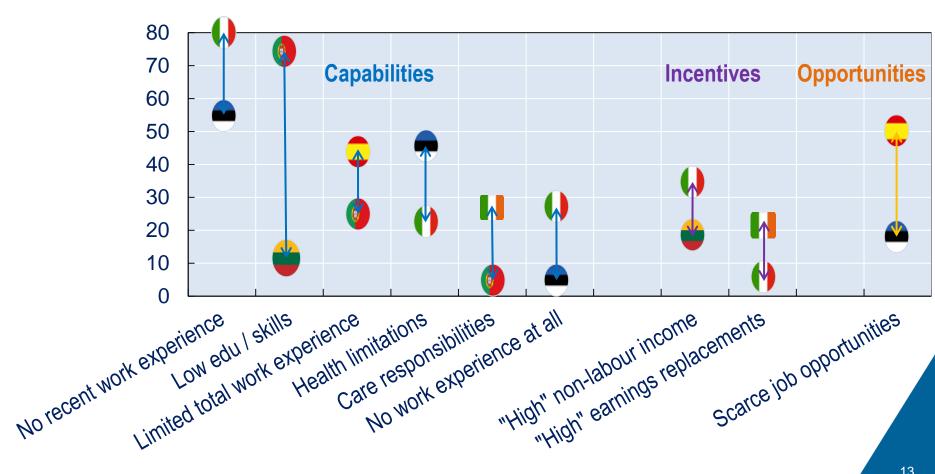


Opportunities

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



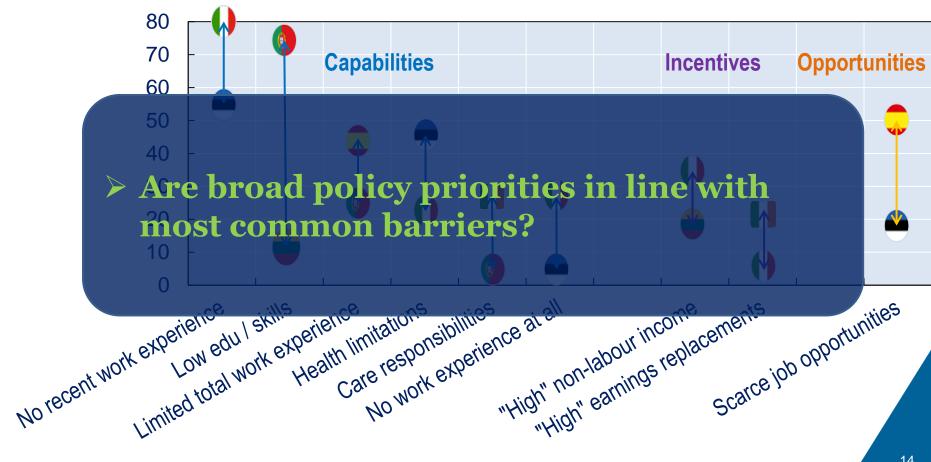
% of individuals with potential labour market difficulties





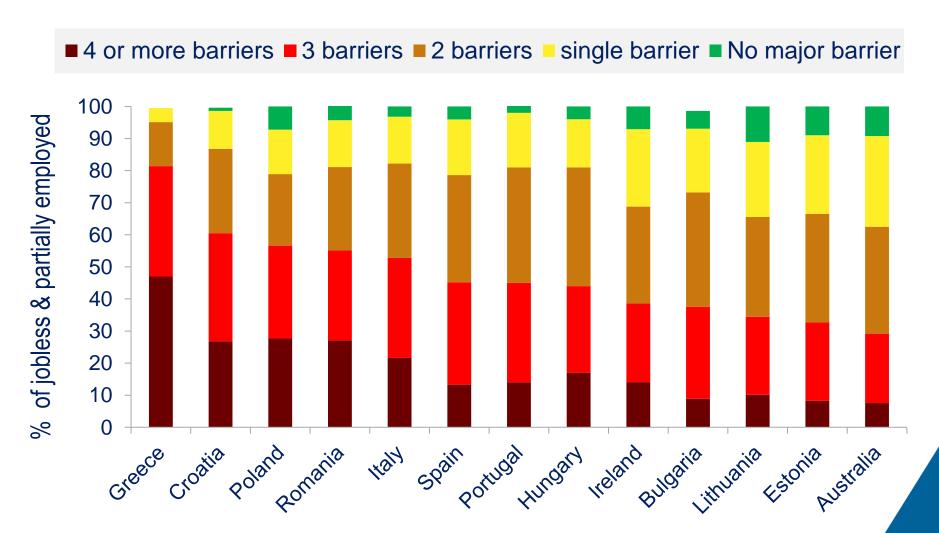
Employment barriers Incidence across countries

% of individuals with potential labour market difficulties



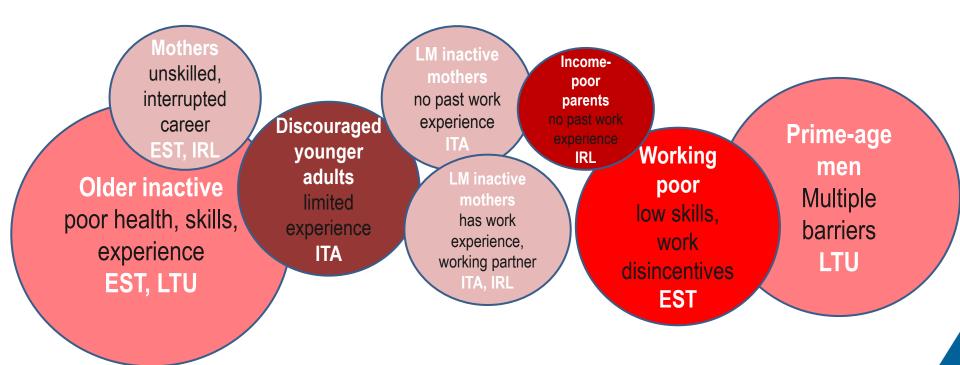


Most face multiple barriers





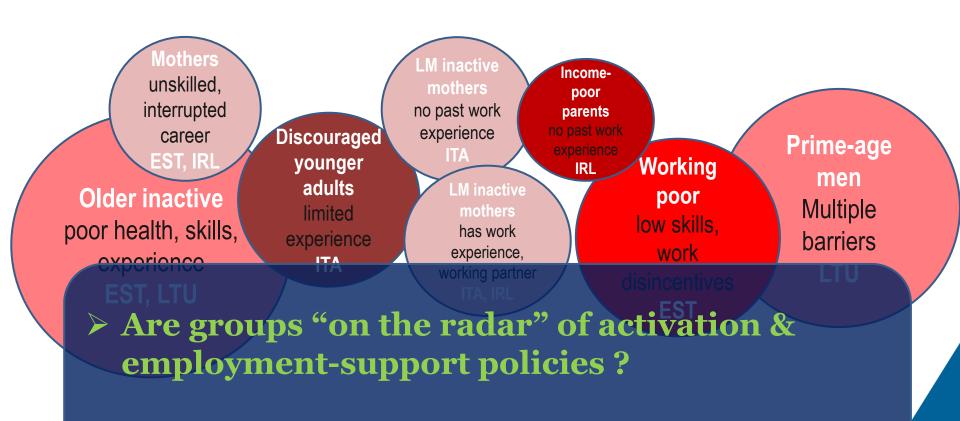
Large number of distinct groups





> Should they be?

Large number of distinct groups

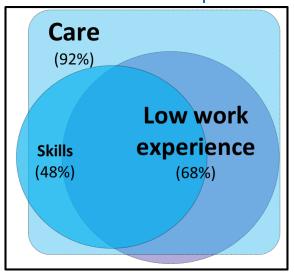




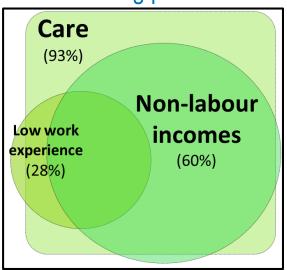
Zooming in: Commonly used labels comprise distinct groups with different "faces"



mothers: low-skilled, LM-inactive benefit recipients



mothers: well-educated & working partner



parents: economically vulnerable

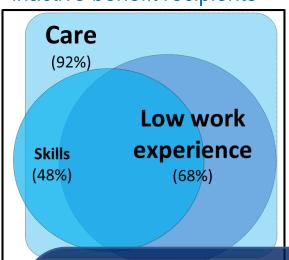




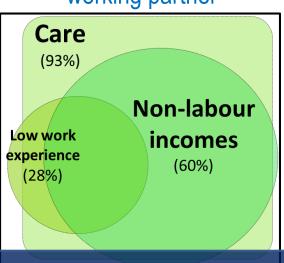
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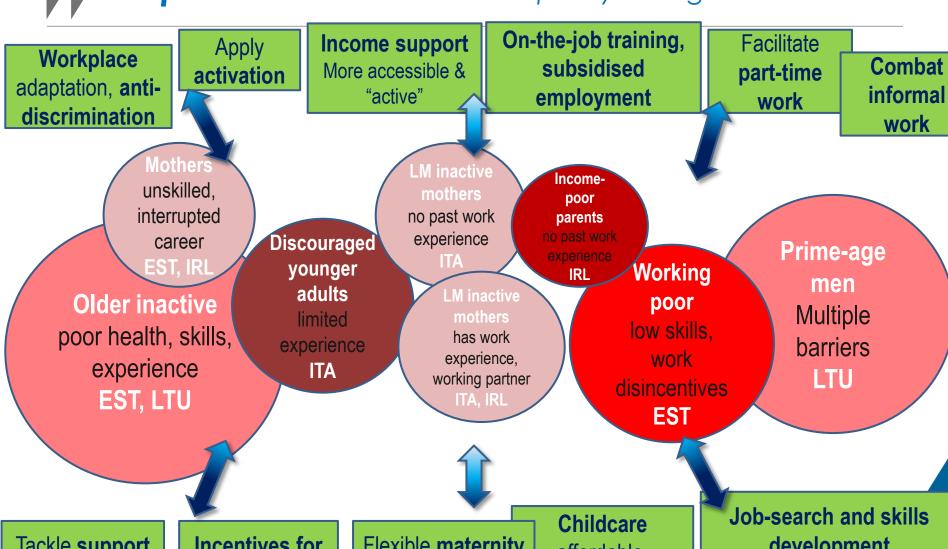


Basis for a people-centred policy inventory.

- > Which groups are a priority for support?
- > Are policies aligned with their needs?
- > A need for coordination across policy domains?



"Messy" circumstances... and their policy implications. Themes in the policy dialogue



Tackle **support** fragmentation

Incentives for 2nd earners

Flexible **maternity** & parental leave

affordable, accessible development

programmes: Extend reach



Faces of Joblessness

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Links & further information:

www.oecd.org/social/faces-of-joblessness.htm

"Faces of joblessness in Australia: An anatomy of employment barriers based on household data", OECD Social, Employment and Migration Working Paper, forthcoming.

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

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