

# Active Labour Market Policies

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# Outline

- I. Near-term considerations
- II. Medium-term policy design features
- III. Complementary and supportive measures
- IV. Conclusions

# I. Near-term considerations

## 1. Adequate resources (including PES):

- Spending has declined while challenges persist
  - Between 2011 and 2013, long-term unemployment has doubled but spending on ALMPs has declined
- ALMP spending can be fiscally neutral
- Cost of inaction is high

## 2. “Active” components remain low

- Re-orient existing policy suite
- Improves re-employment chances and increases attachment

# I. Near-term considerations

## **3. Target the disadvantage not just the disadvantaged**

- Reduces dead-weight loss
- Addresses barrier to employment

## **4. Make contact with individuals**

- PES, client interaction and role of technology

## **5. Engage social partners**

- Ensures policy relevance and higher take-up
- Better match between demand and supply

## II. Medium-term considerations

### 6. Early intervention

- Increases likelihood of re-employment
  - Role of PES and employers/warning signals

### 7. Lifelong learning

- Improves outcomes when job loss occurs
- Ensure skills are constantly upgraded

# III. Complementary measures

## 8. Evaluation

- Data collection
- Evaluation: Beyond monitoring

## 9. Sufficient government capacity

- Implement, assign and evaluate

## 10. Interaction with demand side interventions

- Juncker Investment Plan and role of employment policies

## IV. Conclusions

- Strengthen use of ALMPs
- Ensure workers come into contact with PES
- Programmes need to address barriers
- Supply and demand side need to work together
- Develop culture of evaluating what works