

Good Practices of Inclusive Labour Market Policies in Europe

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What set of policies ensure inclusive labour markets?

Labour market effect	Policy domains in focus
Job displacement effect	<ul style="list-style-type: none">• Education;• Labour Market and Social Protection;
Job creation effect	<ul style="list-style-type: none">• Innovation, Industry and Entrepreneurship;• Labour mobility and Migration;
Job transformation effect	<ul style="list-style-type: none">• Training and Lifelong Learning;• Collective bargaining mechanisms.

Design a comprehensive, coherent and inclusive employment strategy!

Good practices include:

- An effective employment strategy covers **all relevant policy domains**, addresses three labour market effects **simultaneously** and involves **key stakeholders** in the strategy design and implementation.
- **Systematic** monitoring and forecasting of the labour market trends is conducted.

Success of an employment strategy design and implementation relies on **leadership!**

Transformation of the education system is key for addressing all labour market effects

Good practices include:

- Transformation of education across all educational levels, starting from kindergartens and primary schools;
- Integration of different areas of IT in education and digital tools for education to build digital skills and attract more students to IT careers;
- Introduction of education specialisations;
- Development of entrepreneurial competences;
- Up-to-date knowledge, skills and methodologies of teachers across all educational levels;
- Strong collaboration between the education providers and employers/industries;
- Excellent education/career counselling at education institutions that helps individuals to identify their personal strengths and career options.

Good active labour market policy (ALMP) approaches

The most effective ALMP approaches are characterised by the following:

1. Address **all three** labour market effects simultaneously;
2. Account for both current and future labour market needs. In other words, they are **evidence-based and forward-looking**;
3. Have a strong focus on **prevention** rather on reactive measures, targeting individuals at risk of unemployment and supporting the unemployed and currently employed;
4. Comprise a **comprehensive package of instruments** that targets individuals at **different skills levels** and with **different needs**, thereby providing a **personalised, assessment-based approach** that targets barriers of individuals;
5. **Evaluations and impact assessments** of the ALMP instruments are performed and shared.

Interaction between the ALMP and the PLMP

The combination of ALMP and PLMP measures should be designed in a **delicate balance** to ensure high employment, low unemployment and to reduce labour market mismatches.

- The regions with extensive social protection should target **motivation of individuals** by promoting social responsibility and importance of ensuring sustainability of the welfare system;
- The regions with limited social protection should provide **more ALMP support mechanisms**.

Generalised patterns of policy approaches towards innovative job creation

- The policymakers develop a policy approach on innovative job creation in line with the **levels of regional/national economic development**, focusing on innovation in **prioritised economic sectors, digitisation/IT sector development, and entrepreneurship**;
 - The economic policies of **more developed regions** stimulate innovative job creation by prioritising innovation in advanced manufacturing, professional service sectors. Key instruments include **investments in R&D&I and industrial clusters**;
 - The economic policies of **transition regions** stimulate innovative job creation by prioritising digitisation and IT sector development, and several moderately developed industries. Key instruments include **internationalisation, investments in selected industries**;
 - The economic policies of **less developed regions** stimulate innovative job creation by prioritising entrepreneurship, digitisation and IT sector development. Key instruments include **regulatory frameworks for ease of doing business, investments in the education sector and in selected key industries**.

Innovative and inclusive job creation

- Technology-enabled job creation effect may enhance (short-term) **inclusion of vulnerable groups** on the labour market, but rarely results in their **empowerment** (long-term inclusion). Upskilling/reskilling of vulnerable groups is needed!
- **Labour shortages** represent a key barrier for job creation. Hence, policies focus on training and/or migration. **To attract migrants**, the following approaches are used:
 - **Marketing/promotion** of employment and entrepreneurship opportunities in a region/country;
 - Provision of **citizenship and removal of administrative barriers** for employment and entrepreneurship;
 - **Recognition** of foreign education certificates and of skills;
 - Support in **business development** for foreigners.

Training activities to address labour shortages

Good practices include:

- Adult, vocational education and lifelong learning systems have a strong focus on **digital, social and transversal skills**;
- Policymakers invest in **promotion of lifelong learning** and of **available training opportunities**;
- The **skills self-assessment tools** and **individual accounts for learning pathways** are developed;
- Employers, especially SMEs, are offered **subsidies for training, free training programmes** for employees;
- Training programmes are offered in **flexible learning formats** (e.g, online, at own pace, at convenient time) to encourage participation, provide diverse learning opportunities for **all skills levels** and meet **different learning needs**, especially of low-skilled.

Support mechanisms for employers and employees during job transformation

Good practices include:

- The **capacities of business-oriented organisations, PES, employers' and industry/sectoral associations** are strengthened to provide effective support to employers;
- Employers are **aware of the organisations and services** that can support them;
- The **platforms for regular collaboration** between the policymakers and the employers/employers' organisations are established to ensure adequate and timely public support;
- The **organisational structures and approaches at PES** encourage staff members to build trustful and lasting relationships with employers and employees.

Collective bargaining mechanisms and protective regulations

The wish-list:

- **Awareness** about the rights, standards and obligations of employers and employees in workplaces is strengthened;
- The policymakers stimulate **activation of trade unions**, an effective tripartite co-operation between trade unions, employers' organisations and the public sector, and promote **collaborative culture at workplaces**;
- The **labour inspection systems** are reviewed and assessed to ensure their effectiveness;
- The EU and national policymakers introduce **regulations** that ensure decent working/employment conditions of **platform workers**, and these workers are either included in existing trade unions or form a new association of workers.

Thank you!