

# Eurostat's labour market policy (LMP) statistics

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# LMP database

- 1997: EES launched at the European Council
  - Luxembourg – ‘Jobs Summit’
- 1998: ESTAT + DG EMPL together with MS start working on a methodology
  - 2000 LMP methodology
  - 2006 LMP methodology (+2009 addendum)
  - ⇒ *LMP database developed as instrument to monitor the implementation and evolution of targeted labour market policies*
- Use of LMP based indicators
  - 1998 Employment Guidelines
  - Lisbon strategy
  - Europe 2020 strategy

# Scope of the LMP statistics

- *“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.*”
- Public interventions
  - Actions taken by general government which involve expenditure
- Target groups
  - Unemployed
  - Employed at risk
  - Inactive

# Types of intervention (1)

- Three types of intervention are distinguished
  - **Services**
  - **Measures (~ ALMP)**
  - **Supports (~ PLMP)**
  
- **Services (category 1)**
  - All activities of the PES + other publicly funded jobseeker services
    - **Client services (1.1)**
      - Job brokerage functions and other jobseeker services
      - 1.1.2 Individual case management – “assisted activation”
    - **Other activities of the PES (1.2)**
      - Mainly administration
      - Scope will vary between countries

## Types of intervention (2)

- Measures (categories 2-7)
  - Main activity of participants is other than job search related
  - Participation usually results in a change in labour market status
  - Normally temporary support
- Categories
  - Training
  - Job rotation and job sharing
  - Employment incentives
  - Supported Employment and rehabilitation
  - Direct job creation
  - Start-up incentives

## Types of intervention (3)

- Supports (categories 8-9)
  - Financial assistance to individuals
  - Usually persons out of work and actively seeking work
- Categories
  - Out-of-work income maintenance and support
    - Unemployment benefits
  - Early retirement
    - Facilitate full or partial early retirement

# LMP data

## ■ Quantitative data

- LMP expenditure
  - Transfers to individuals, employers, service providers
- LMP participants
  - Stocks, entrants, exits, sex, age
  - (Duration of unemployment, previous status, destination of exits)

## ■ Qualitative data

- Detailed descriptions of the interventions
  - Aim, beneficiaries/participants, action/instrument, financing/support, eligibility, legal basis

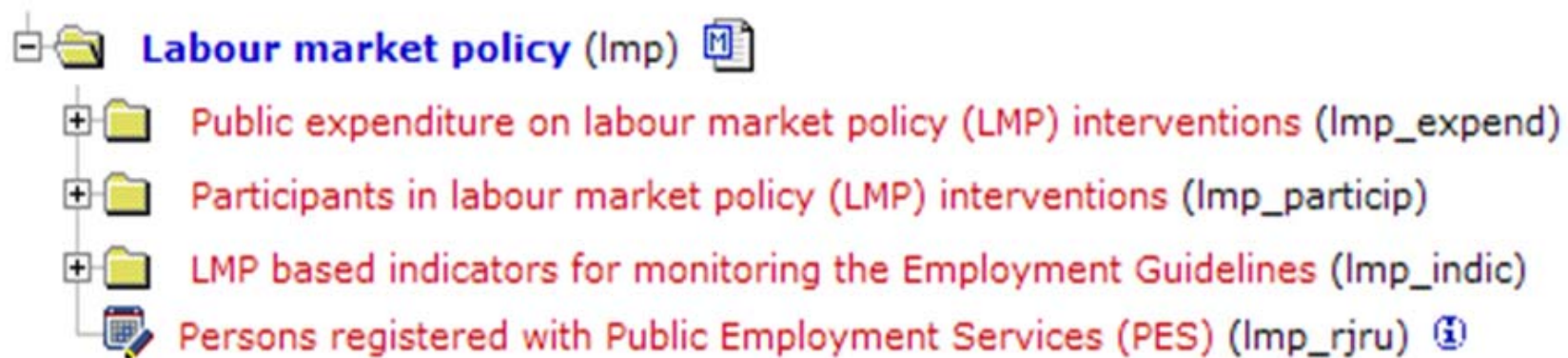


# LMP statistics – online

- LMP information online:

[http://epp.eurostat.ec.europa.eu/portal/page/portal/labour\\_market/labour\\_market\\_policy](http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/labour_market_policy)

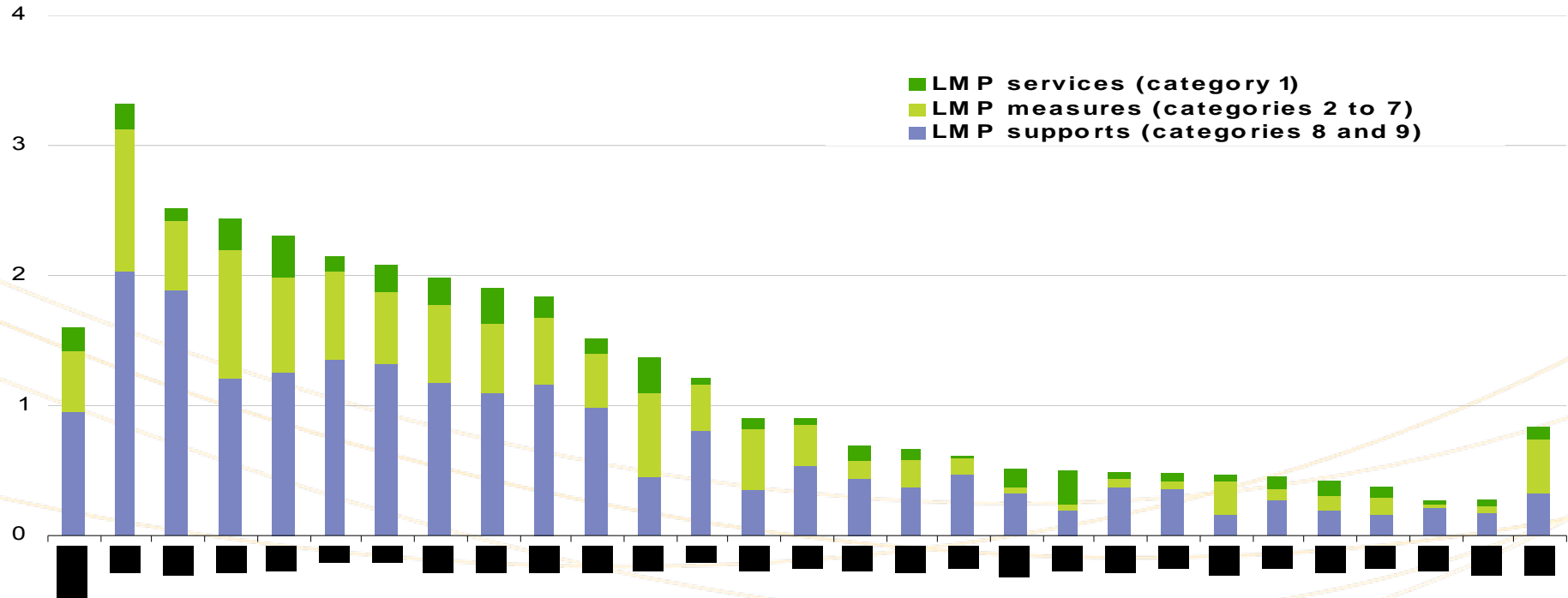
- Online database



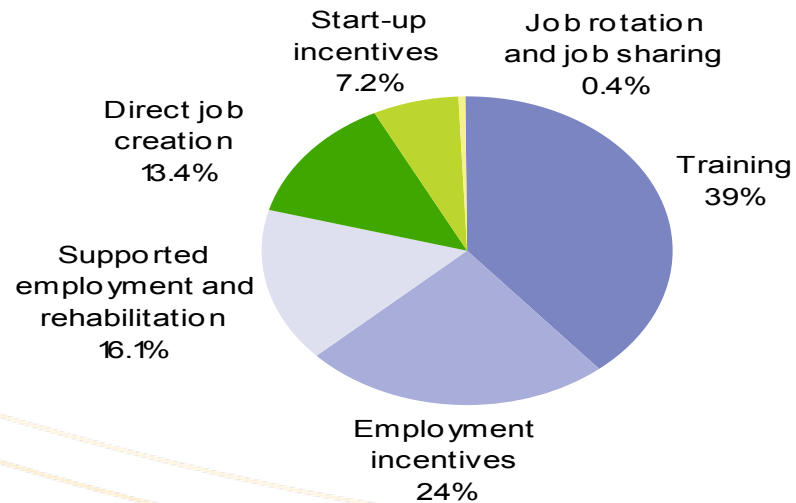
# EU-27 key figures 2008

- Total LMP expenditure
  - 201 billion EUR = 1.6% of GDP
- LMP measures
  - 57 billion EUR = 0.45% of GDP
  - 28% of total LMP expenditure
  - 10.3 million participants (stock)
- LMP supports
  - 120 billion EUR = 0.96% of GDP
  - 60% of total LMP expenditure
  - 13.0 million participants

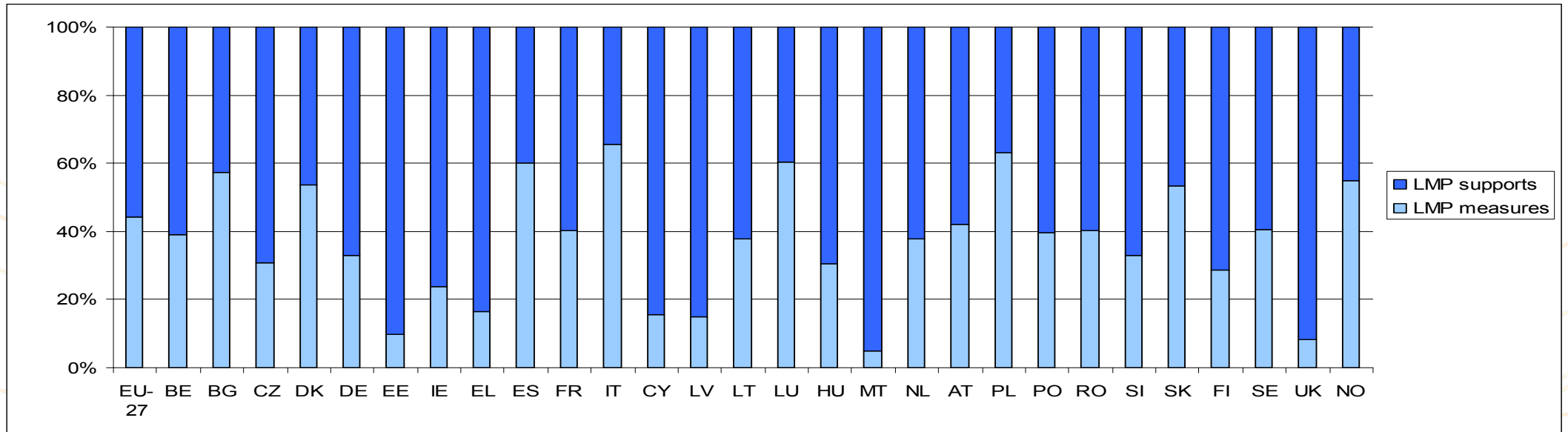
# Public expenditure on labour market policy interventions, 2008, % of GDP



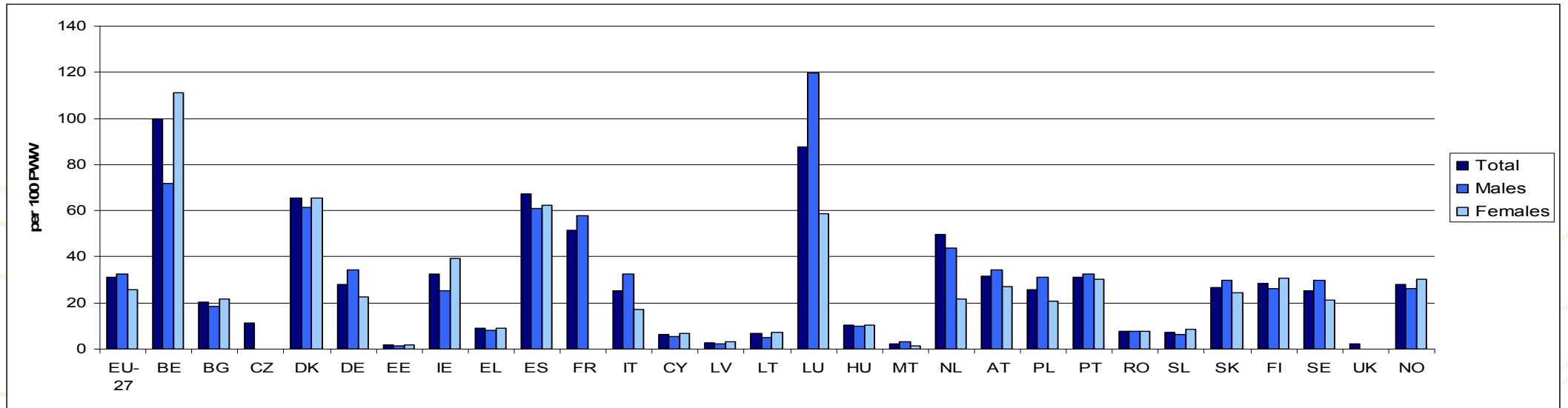
## Public expenditure on labour market policy measures, EU-27, 2008, % of total



## Participants in LMP measures and beneficiaries of LMP supports, 2008, stock



## Activation: participants in LMP measures per 100 persons wanting to work (indicator 19.M2)



# Support for short-time working (1)

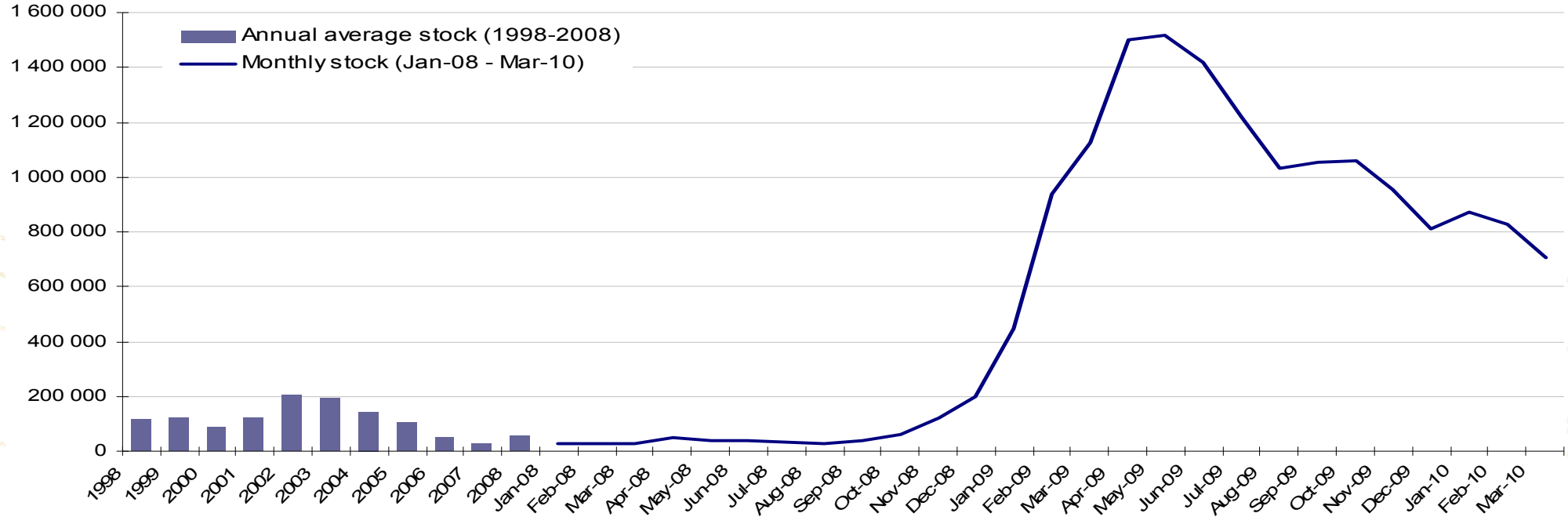
- Ad-hoc collection of data on schemes to support short-time working and temporary lay-offs
  - Combined case studies of short-term developments in selected countries with long-term annual data from LMP database
  - First undertaken spring 2009 in the context of an LMP seminar
  - Short-term data for 6 countries: BE, DE, FR, AT, PT, FI

## Support for short-time working (2)

- Much interest in results  $\Rightarrow$  updates of the ad-hoc collection in October 2009, May 2010 and October 2010
  - Short-term data for 16 countries: BE, BG, CZ, DE, IE, ES, FR, IT, LU, NL, AT, PL, PT, RO, SK, FI
  - Results of October update to be presented mid-November to DG EMPL
- Preferred observation: monthly stock of benefit recipients
- Not always readily available  $\Rightarrow$  alternative observations provided: entrants, expenditure and compensated hours
  - Need to bear in mind different observations when interpreting results

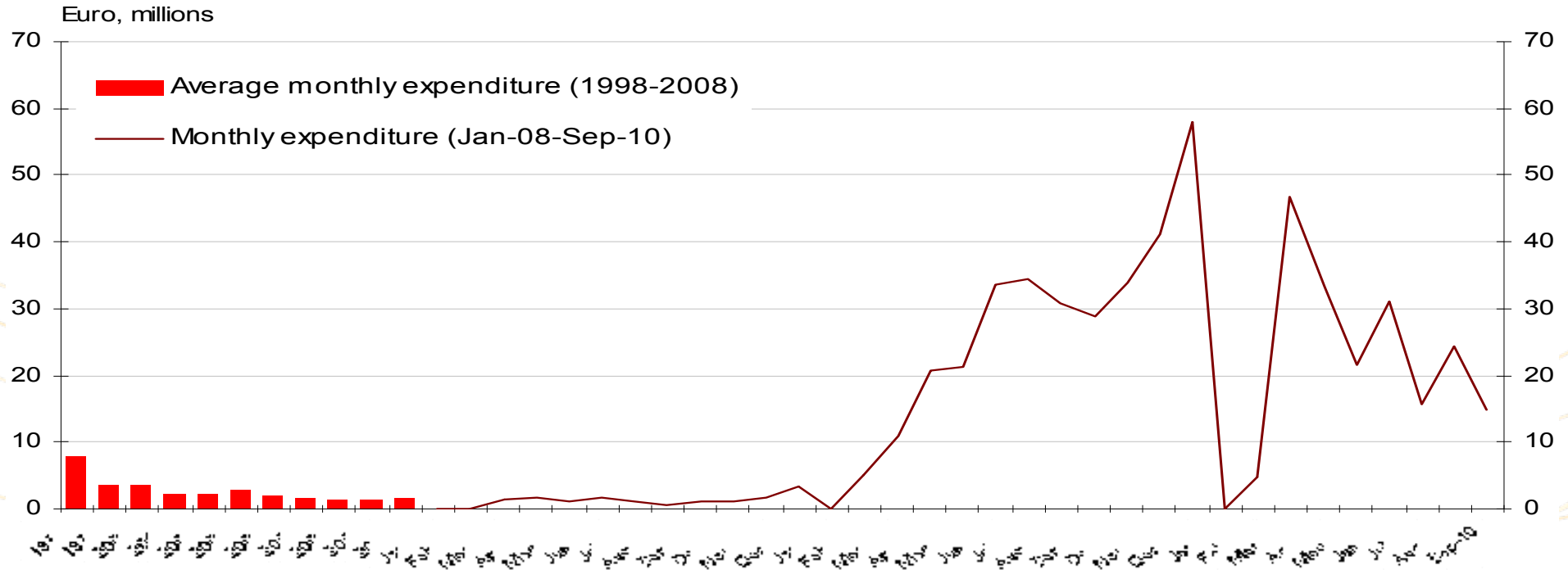


# Recipients of short-time working allowance, Germany, 1998 – March 2010



Source: Eurostat, LMP database; BA

# Monthly expenditure on partial unemployment benefits, France, 1998 – September 2010



Source: DARES, extraction INDIA, programme 103, art. 25, 28 & economic recovery plan art. 22, 40, 58.  
 Figures in January and February are not reliable due to administrative procedures.

# LMP statistics – some problems

- **Timeliness**
  - Release t+18 months
- **Coverage**
  - Inclusion of all relevant interventions
  - Missing breakdowns for calculating indicators (participants)
  - Adequate inclusion of individual action plans (IAPs)
  - ESF funded programmes
- **Relevance**
  - Adapt to integrated LMP programmes (services / measures)
  - LMP statistics provide input indicators only