Why is action needed?

Ensuring good opportunities for all to participate in the labour-market is essential for promoting greater social cohesion and to confront the economic and fiscal pressures from rapid population ageing. In addition, the transition to a more globalised and technologically advanced labour market calls for public policies that minimise adjustment costs by helping workers to acquire new skill sets and manage displacement risks. A suitable policy mix is also needed to limit unwanted time out of work in-between jobs, and to help those in precarious employment access more stable or better-paying jobs. Activation, employment support and other labour-market integration policies help harness societies’ productive potential and contribute to economic growth, inclusiveness and the sustainability of social-protection systems.

Untapped sources of employment growth

For some, job readiness rather than motivation may be the key barrier and they may require support in navigating the jobs market through intensive case management and placement services. They may also require help to boost or update their skills or work experience, or to help them overcome or manage health problems or care-related responsibilities.

Bringing more people into employment also involves addressing demand-side barriers and expanding employment opportunities. This may involve increasing the share of job vacancies registered with employment services, actively engaging and assisting employers in hiring and retaining workers (e.g. hiring subsidies and short-time work) or promoting jobseekers’ mobility.

The implementation of these key elements needs to be managed by effective and well-coordinated labour market and social institutions and policies. This requires good information on the characteristics of jobseekers and other groups on the margins of the labour market and the employment barriers they face. It also calls for close and continuous monitoring and evaluation of the effectiveness of policies and programmes.
Strengthening job readiness, motivation and opportunities: How can the OECD help?

**Extensive expertise.** This activity is designed to help countries strengthen their policies and make good-quality employment attainable for jobseekers and other disadvantaged groups. It will harness the OECD’s longstanding expertise on activation and employment-oriented social policies for people who are struggling to connect with good jobs (e.g. youth, displaced workers, older workers, persons with disabilities or mental health problems), building also on the OECD’s contribution to the G20 process.

**Better evidence.** A prerequisite for the development of effective policies to connect people with good jobs is better evidence. A newly developed OECD tool (Faces of Joblessness) enables policymakers and practitioners to identify the key employment obstacles facing different groups of unemployed, underemployed or discouraged/inactive individuals. It highlights the diversity of these groups, the prevalence of multiple barriers and the need to tailor policy responses that cross policy domains and institutions. The results of this tool can be mapped with existing policies to assess whether the right policies are in place for different labour-market groups that are of interest in each country.

**Monitoring and evaluation.** The OECD can provide advice on how to ensure there is a close monitoring of outcomes and a thorough evaluation of the short-term and longer-term effects of existing policies in order to strengthen policy effectiveness and efficiency in responding to the needs of different groups.

**Policy implementation.** The OECD can also help to overcome policy implementation challenges and facilitate co-ordination and co-operation between the various bodies involved in the design and delivery of measures covering both labour market and social policy. It can also facilitate the involvement of the social partners.

**Identifying best practice.** The OECD can assist in organising international workshops and mutual learning events to identify common challenges and good practice. These events could be accompanied by policy briefs and notes summarising key lessons learned from different country experiences.

**Country relevance.** The results of the activity are relevant for both OECD countries and emerging economies. In the emerging-economy context, the activity will pay special attention to optimising the use of limited public resources, strengthening the provision of income support, employment and other social services. and tackling widespread underemployment and informal work. More generally, the OECD will closely work with public authorities to: ensure access to accurate and up-to-date information on policy settings and challenges; improve the evidence base; liaise with all relevant stakeholders; and ensure the work is relevant to the specific needs of each country.

How can countries participate?

Country participation can take different forms running from a diagnosis and mapping exercise through to a comprehensive country report. A non-exhaustive menu of options is presented below and can be tailored closely to countries’ specific challenges and priorities. Comparative synthesis reports can distil lessons from country studies and peer learning events and provide additional insights on challenges that are common across different policy and labour-market contexts. The timeline will depend on the specific options selected by countries. If all options were selected, the review would take up to 9-12 months to be completed. Each country’s participation will require a voluntary financial contribution to cover the costs involved. This can be discussed with the OECD Secretariat and the amount involved will depend on the scope of the work to be carried out.

A menu of options that can be tailored to country needs

- Diagnosis and Mapping
- Programme Evaluation
- In-depth Policy Reviews Including Updates or Extensions of Earlier Policy Assessments
- Tailored input into developing and implementing reforms
- Policy Briefs, Focus Notes on specific policy topics
- Peer Learning Workshops

For further information, please contact Theodora Xenogiani (Theodora.Xenogiani@oecd.org; +33 1 4524 1785) or Herwig Immervoll (Herwig.Immervoll@oecd.org; +33 1 4524 9214), OECD Directorate for Employment, Labour and Social Affairs.