



Employment Region
Copenhagen & Zealand

Rebuilding sustainable employment: The contribution of local employment services

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The traditional role of the employment service and active labour market policy



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- Labour market transparency and mobility of the workforce
- Stimulate and support active jobseeking
- Prevent and reduce long term unemployment
- (Administration of income support, unemployment benefits, social and sickness benefits)

The main focus of labour market policy

- **Stimulate, qualify and activate labour supply**
- **Reduce and maintain a low structural unemployment level**

The Local Employment Service, labour supply focus (1)



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- **Work First strategy**
- **Minimise the length of job-seeking periods**
- **Address job-seeking towards potential job-openings**
- **Qualify (in its broadest sense) jobseekers to local and regional job possibilities**
- **Reduce early retirement for individuals with demanded qualifications and employment potentials**

The Local Employment Service, labour supply focus (2)

Specific groups, e.g.:

- **Young Unemployed**
 - Vocational training for young with no education
 - Job-seeking support for those with education

- **Long-term Unemployed**
 - Focused and relevant Activation Programmes

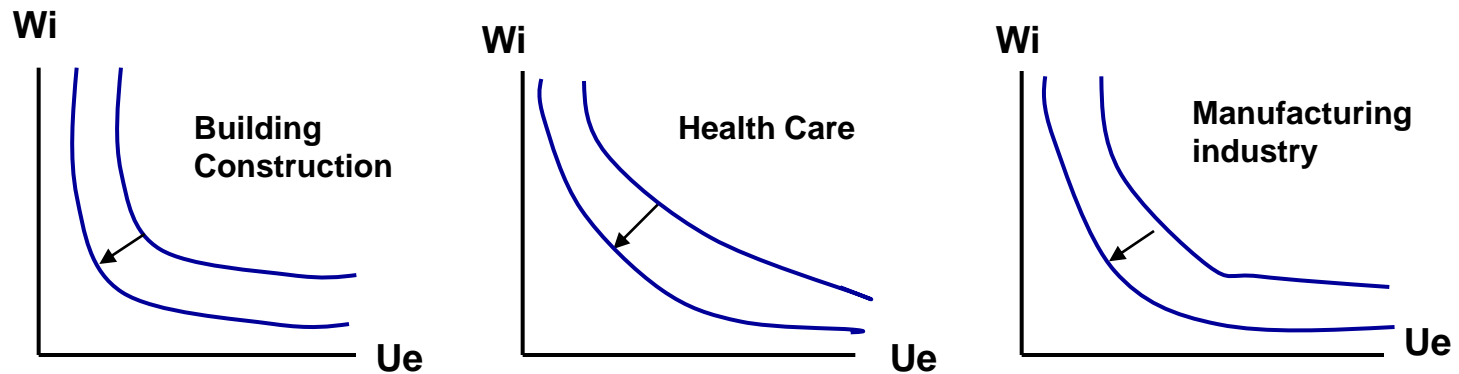
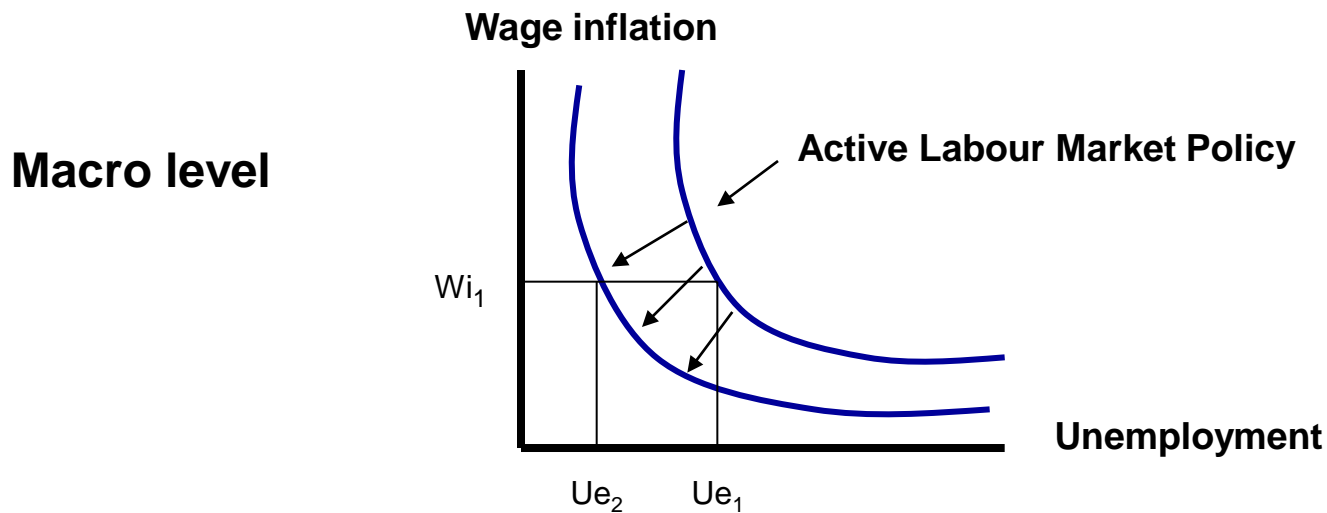
The Local Employment Service, reduction of local/regional structural unemployment

- **Minimise job-seeking periods, swift return to jobs**
- **Direct job-seeking towards bottleneck industries**
- **Upgrade the skills of the workforce to the needs and demands of the local/regional industries**
- **Focus on Job security rather than Job retention**

Structural unemployment and the Phillips curve *)



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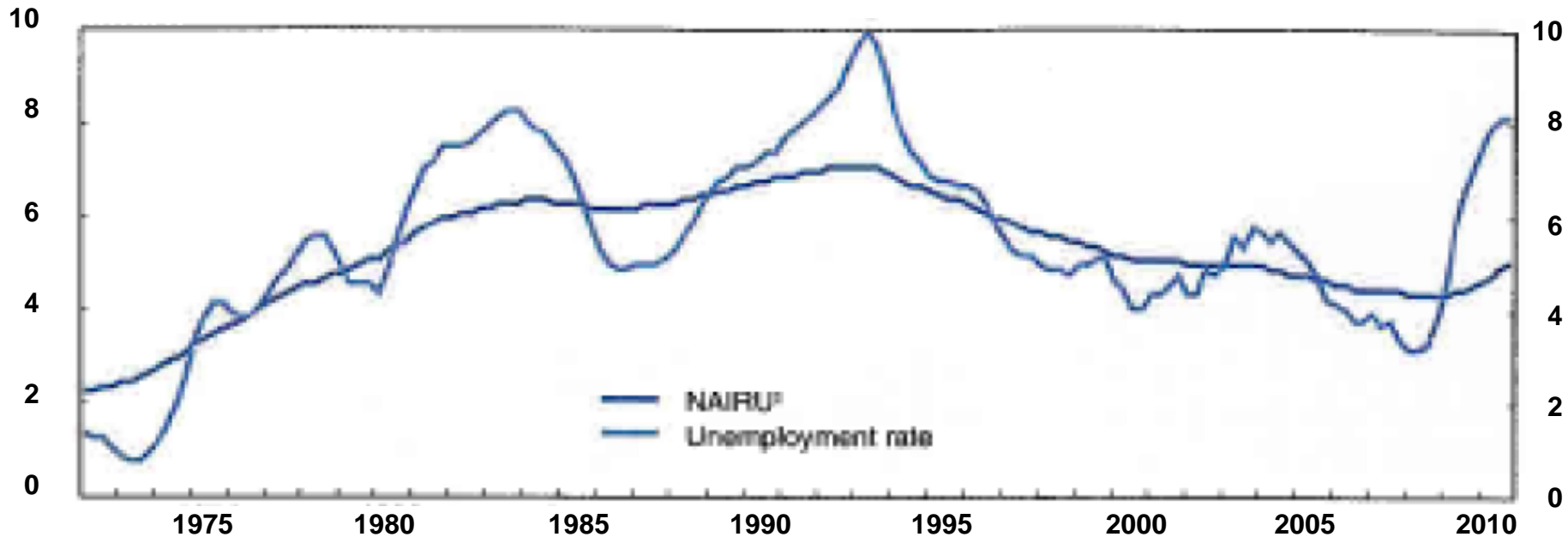
Local differentiated approach

*)A.W.H. Phillips. Dutch-British Economist

Actual and structural unemployment in Denmark

Per cent

Per cent



1) The structural unemployment rate is the non-accelerating rate of unemployment (NAIRU), estimated according to the methodology outlined in Gianella et al. (2008)

Source: OECD Economic Outlook No. 85. Database.

The Employment Service, local flexibility

- **Share local/regional labour market information**
- **Adjust and direct initiatives to local conditions**
- **Stimulate and encourage local economic adjustment - reduce barriers and rigidities**
- **Focus activation programmes and vocational training to local industrial development strategies and activities**
- **Adjust to local and regional conditions and opportunities**