

Parliaments and unemployment

Can anything be done?

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By Fiona Mullen

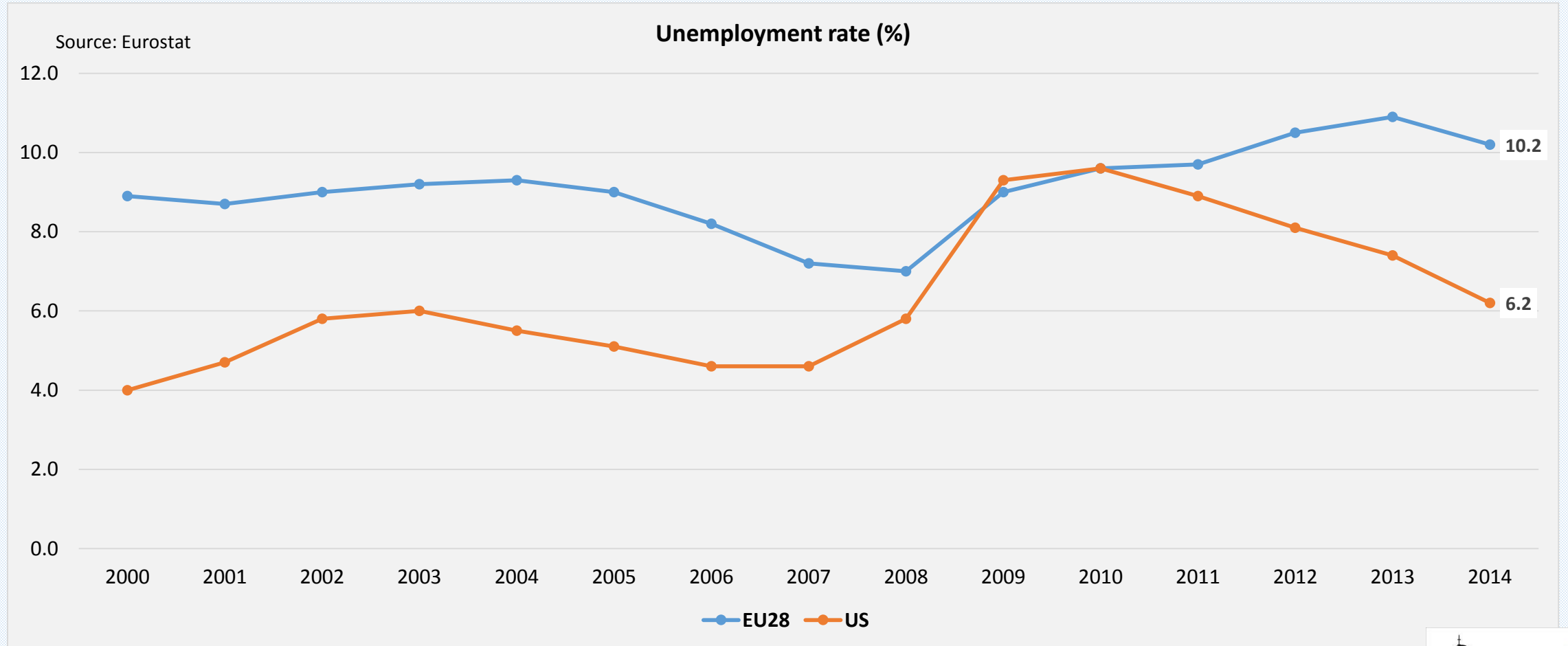
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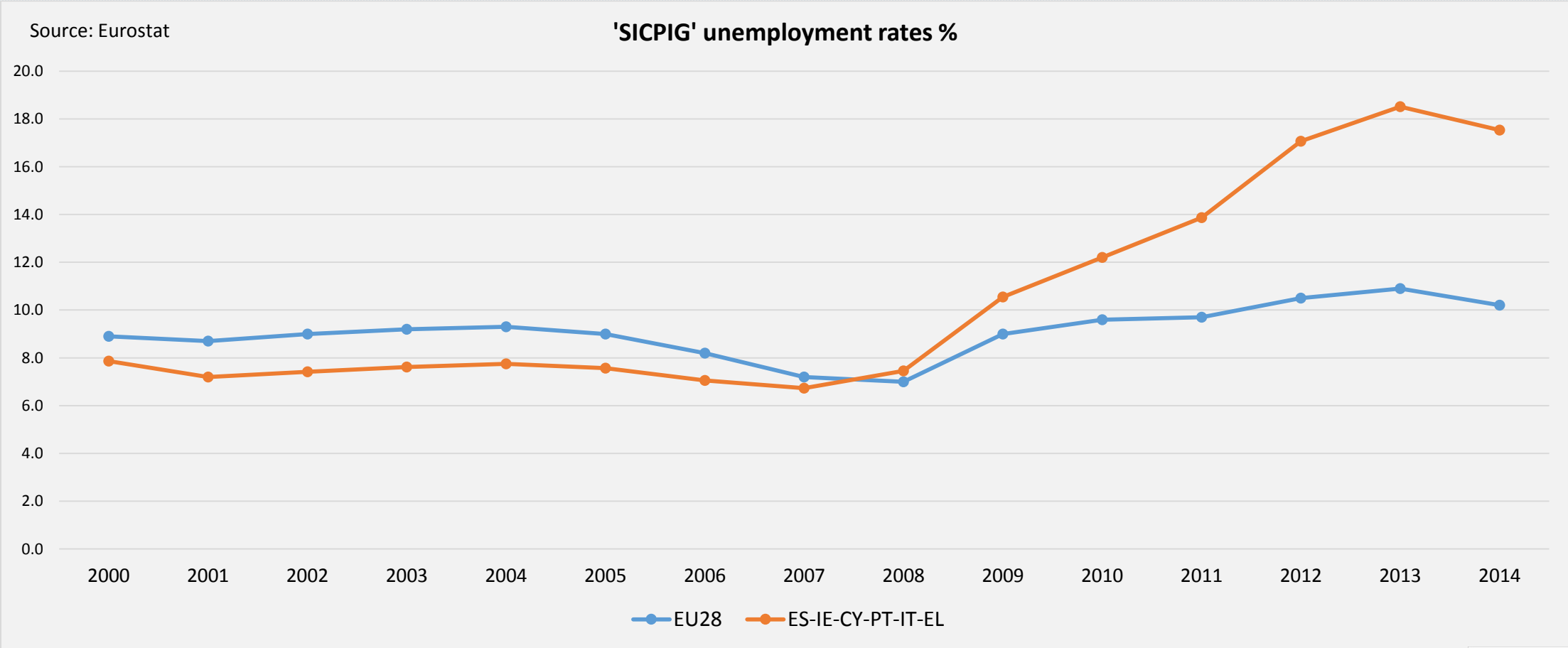
Structure of talk

- Some unemployment comparisons
- Some other data comparisons
- What parliaments cannot do
- What parliaments can do
- How the “best in class” keep unemployment low
- Conclusions

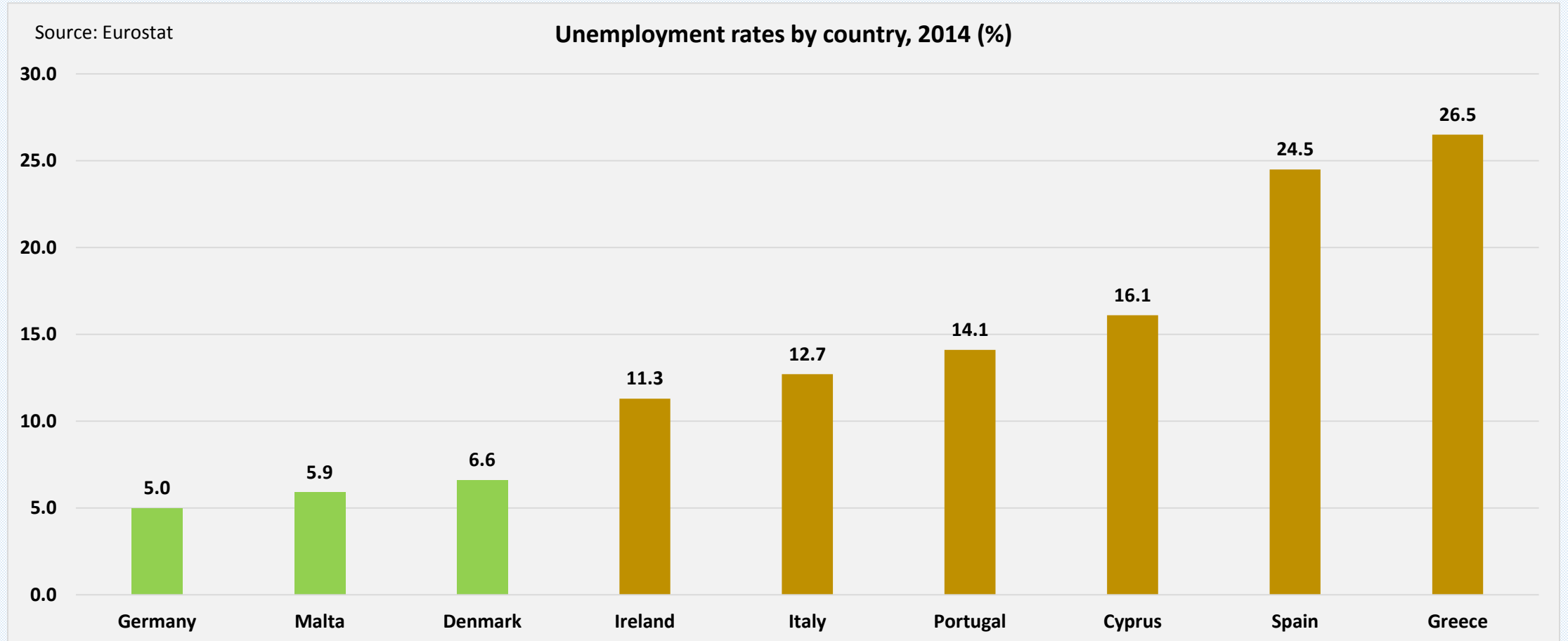
Is Europe working?



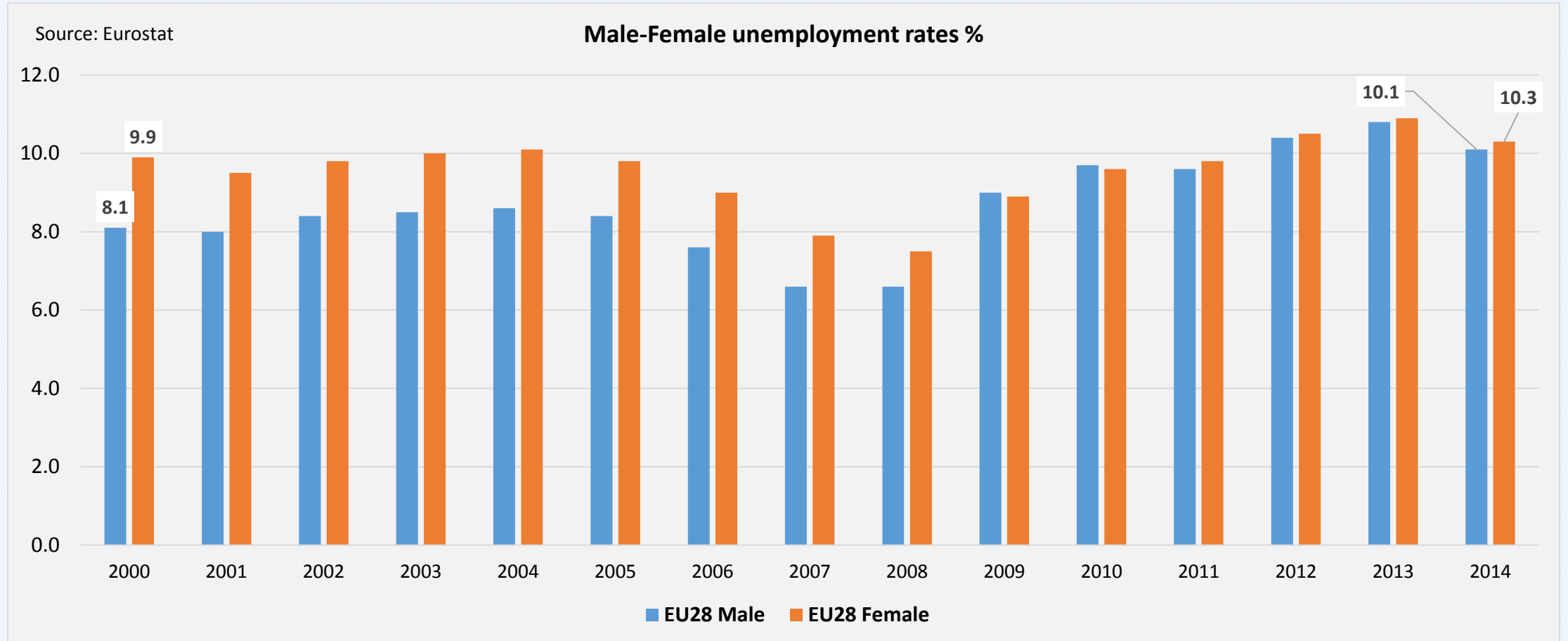
And it is worse in the periphery



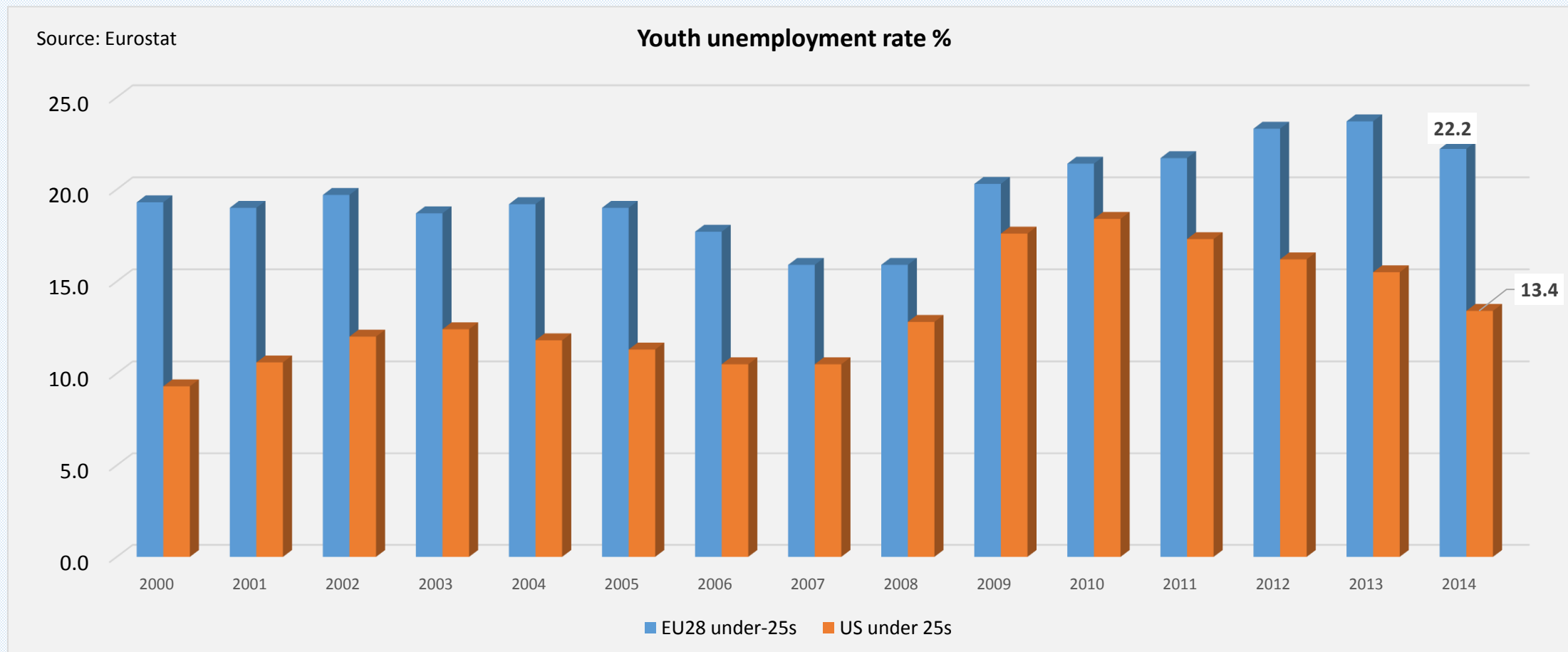
Why is Malta an exception?



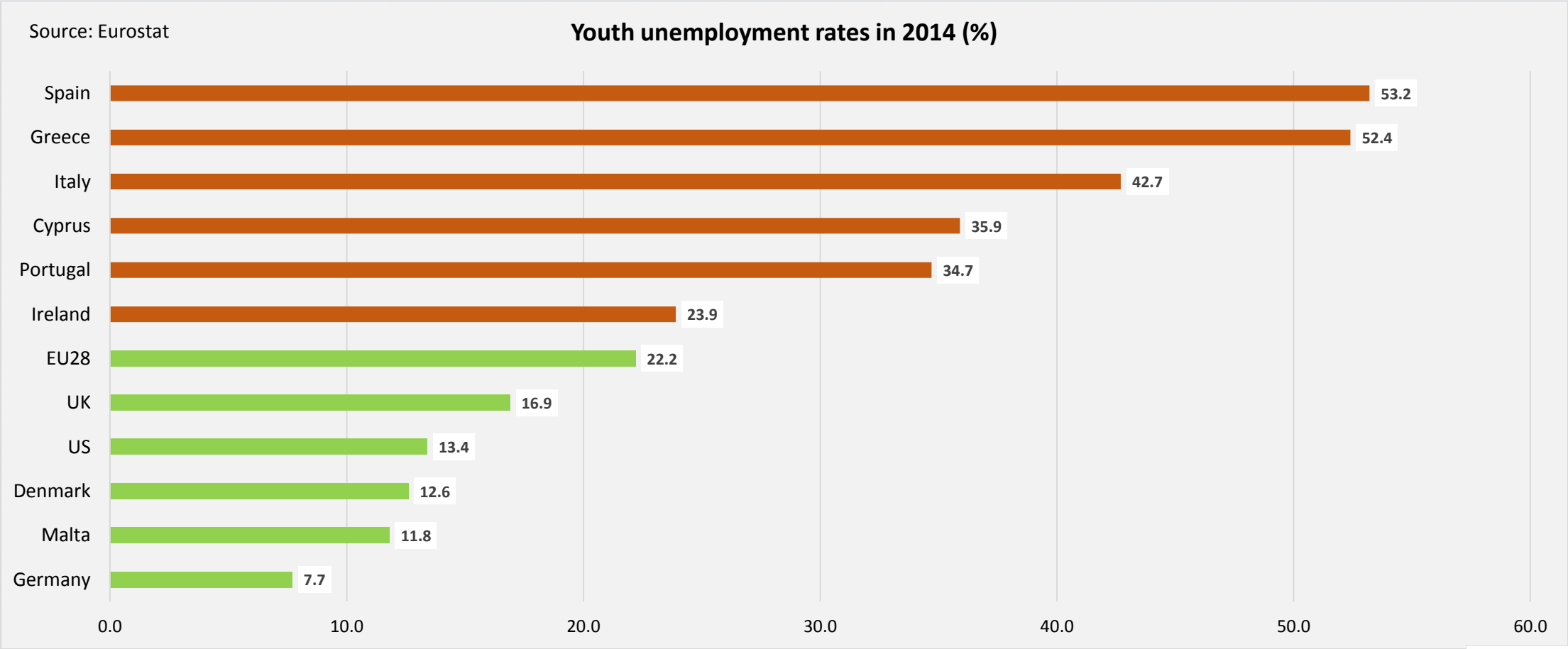
Some improvement for females overall



But youth unemployem't a blight on our future

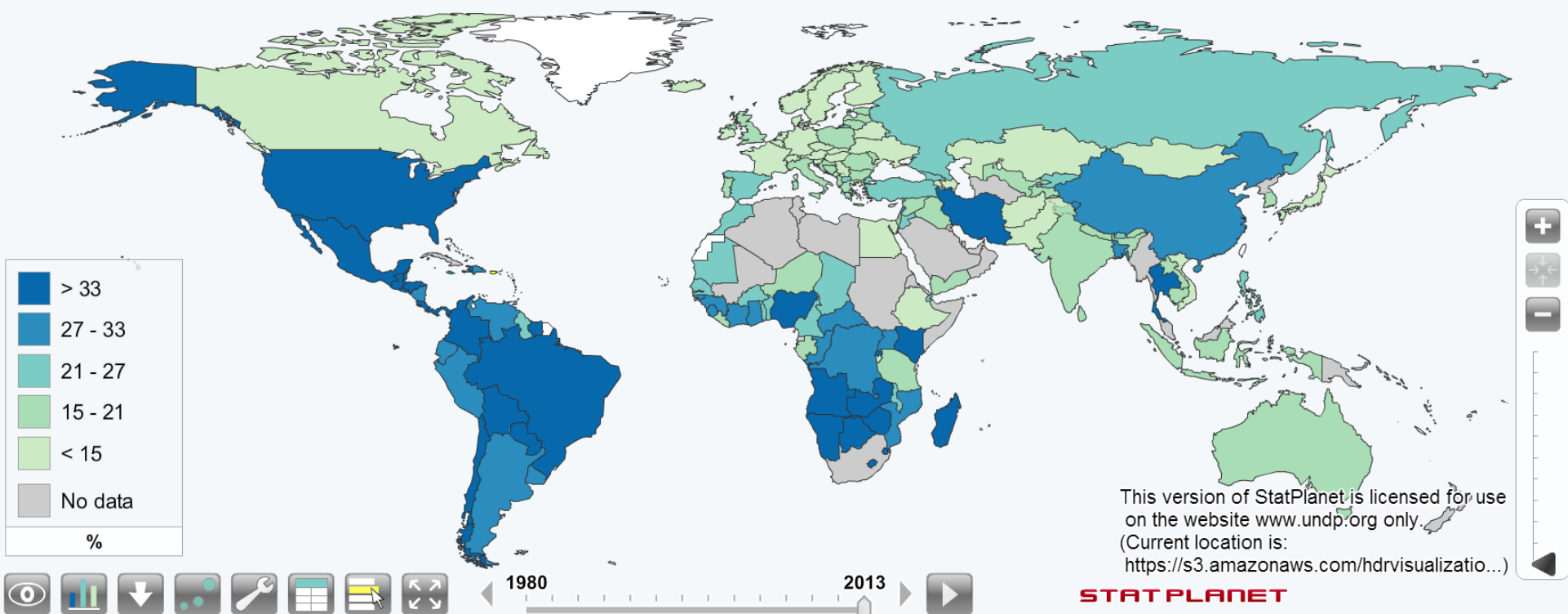


Again it is worse for the periphery (ex Malta)

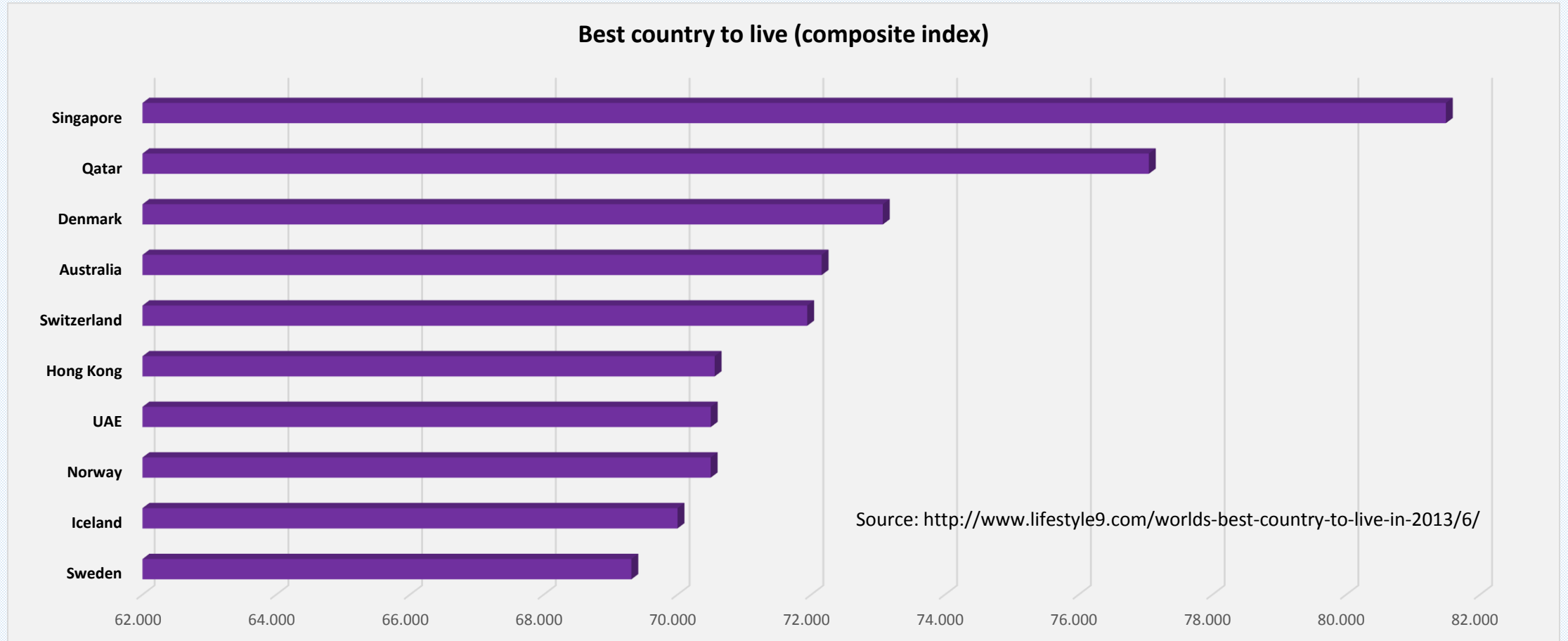


But do we have to be the US-UK?

Source: <http://hdr.undp.org/en/data/map>



Or can we be the Nordics?



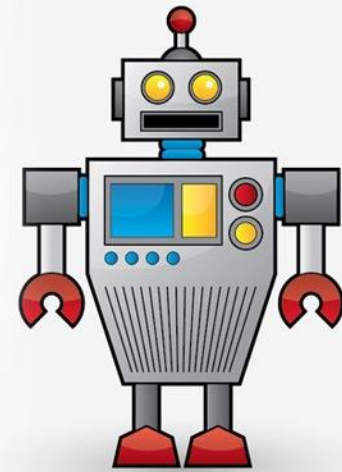
What is the role for parliaments in employment?

Lessons from psychology and counselling

- **Don't get angry about what you cannot change**
- **Focus on what you have control over**

What parliaments cannot change

- **Globalisation (changing locations for production & services)**
- **Uncertainty (conflict, crisis, climate change)**
- **Disruptive technology (the robots are coming!)**



What parliaments can change

- Tax base: tax wealth not jobs?
- Tax incentives (1): training, childcare, flexibility incentives
- Tax incentives (2): debt (interest write-offs) or equity (investment)?
- Active labour market policies
- The debate: protect employability not specific jobs
- The mood: cooperation v. confrontation
- Education including encouraging vocational
- Engaging the next generation of voters

10 hardest jobs to fill globally

1. Technicians
2. Sales Representatives
3. Skilled Trades Workers
4. Engineers
5. Labourers
6. Managers/Executives
7. Accounting and Finance Staff
8. IT Staff
9. Production Operators
10. Secretaries, Personal & Administrative Assistants

Source: ManpowerGroup 2011 survey, 39 countries, 40,000 companies

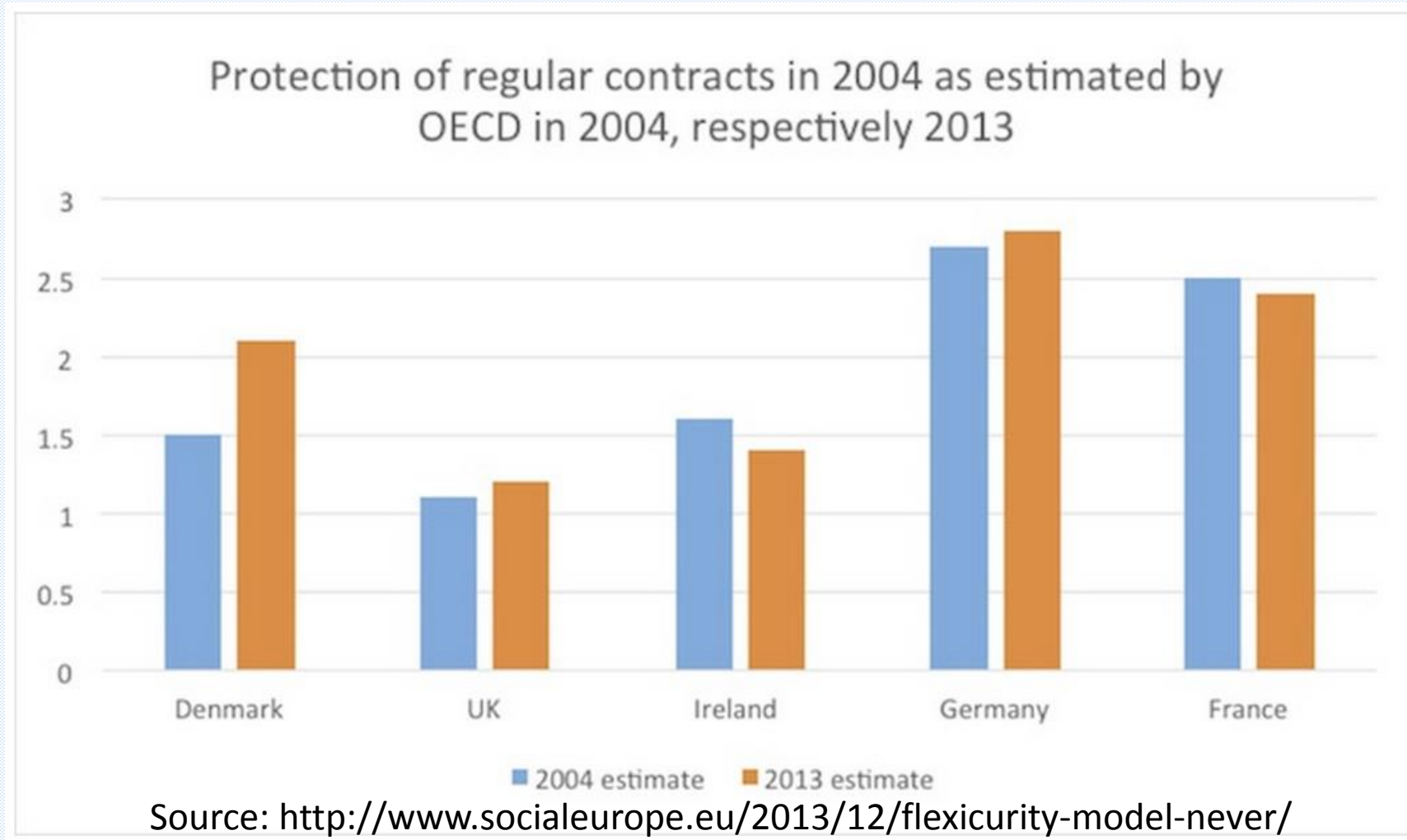
Manpower's eight recommendations for how companies can help youth employment

1. Participate in career guidance programmes for youth still in school
2. Support projects to provide career and labour market information
3. **Promote a more positive image for vocational education**
4. Partner with demand-driven training-to-employment programmes
5. Create & engage with programmes that build work experience
6. Engage with “Dual” training and work experience programmes
7. Commit to hiring, training, and mentoring youth
8. Invest in entrepreneurship education in educational establishments

How Denmark does it

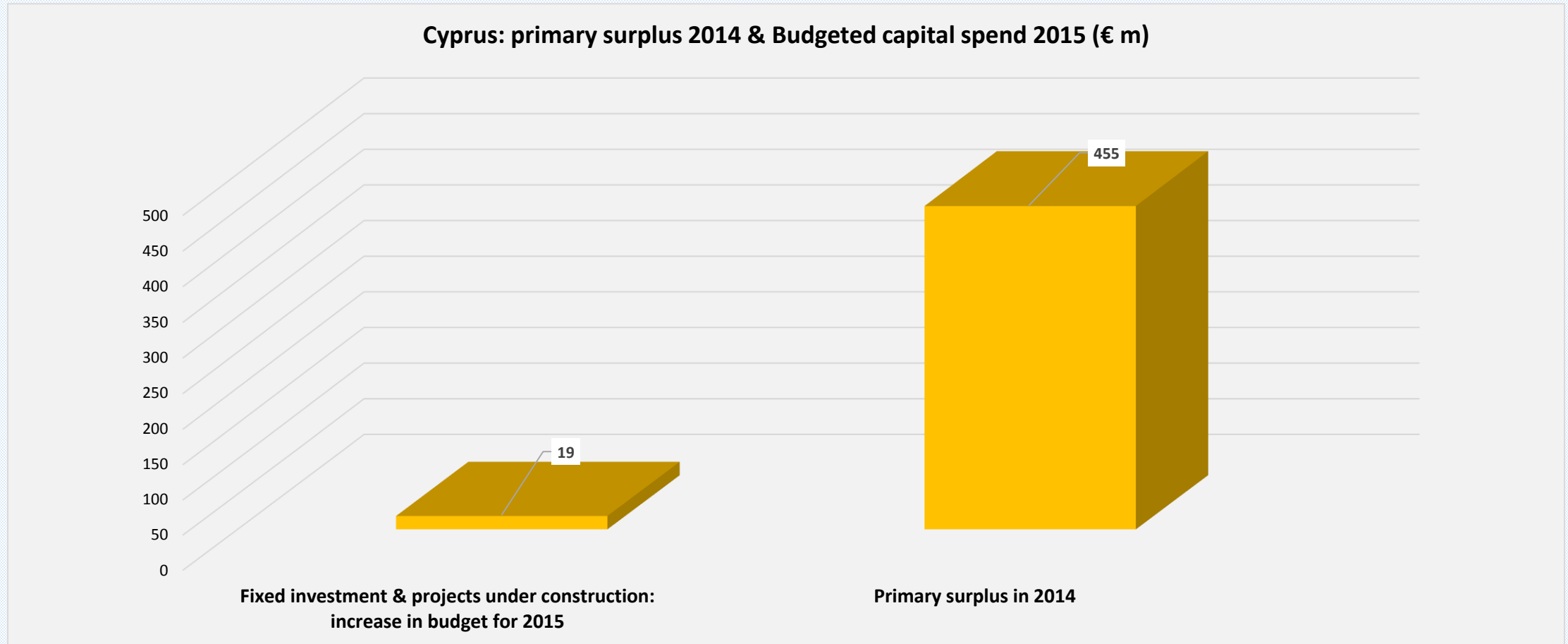
- **Cooperation not confrontation (75% unionised)**
- **“...collective bargaining model ... has ensured extensive worker protection while taking changing production and market conditions into account”. <http://denmark.dk/en/society/welfare/flexicurity/>**
- **No jobs for life: 25% of labour force changes jobs each year**
- **Yet unemployment benefits of up to 90% of salary for lowest paid**
- **Active labour market policy: 1.5% of GDP spent on “guidance, a job or education”**

Low unemployment but better protection than US-UK



Final note: be careful what you wish for

(CY govt sat on cash as parliament blocked laws that would release bailout tranches)



Conclusions

- **Use party/parliamentary networks to learn from the best in class**
- **Do your homework: research evidence-based policies that work**
- **Advocate responsible policy-making (not lowest denominator)**
- **Show the next generation you care ...**
- **...and they might even vote for you!**