

# Activation policies

## Dimension - Social Developments

Associated Key Factor:

### Labour market and working conditions

Data Source:

Publication

Ivar Lodemel and Heather Trickey (eds.), *An Offer you Cannot Refuse*, Refer to publisher details at indicator level

General Availability:

Reporting unit:

Reporting level: national

Reporting period:

Data Source:

Organisation for Economic Co-operation and Development

Ivar Lodemel and Heather Trickey (eds.) "An offer you cannot refuse".

<http://www.oecd.org/dataoecd/39/49/2492163.xls>

<http://www.oecd.org>

General Availability:

Reporting unit: percentage of GDP

Reporting level: national

Reporting period:

Data available from 1985 to 2001

The indicator:

Activation policies are policies that aim to re-activate persons in long-term unemployment and/or dependent on social assistance through education and training as well as policies that aim at increasing worker flexibility and mobility.

Description

Activation policies are today central to social and labour policies.

The ultimate objective is to make the welfare system more effective by limiting spending and improving outcomes. External pressures include changes in the organisation of working life and the threat of rising welfare expenditures in view of the ageing of society.

Activation policies have their origin at the so-called 'workfare' policy regime which required individuals to work in return of social assistance benefits.

How is it measured?

Include a range of programmes such as education and training, skill improvement, subsidies for firms that employ long-term unemployed as well as programmes tailored to the needs of specific sub-groups (women, older workers, persons with disability, etc.). The expenditures on such programmes (as a percentage of the GDP or governmental total expenditures or government social expenditures) provide a basis for establishing the importance assigned to such programmes, especially in comparison with expenditures on passive labour policies.

What are the advantages of the indicator?

Provides qualitative information about labour market policies. In conjunction with time series data on labour market policy, on the one hand, and levels of unemployment and/or labour demand / supply, on the other, it can be used as a benchmarking indicator for establishing the commitment of any particular government level to revitalising the labour market.

What are the disadvantages of the Indicator?

The long-term impact of activation policies on the labour market (in terms of supply / demand as well as unemployment levels) has still to be established. The success of such policies with regard to reducing unemployment appears to depend on the extent to which such policies are tailored to the needs of specific groups and the structural characteristics of the labour market. Activation policies are also often used to 'hide' real unemployment in the short-term and this aspect needs to be controlled for in social policy analysis.

What is the policy relevance of the indicator?

Helps chart labour market policy and trends towards labour flexibilisation.

The Indicator is relevant for the following pathways of the FORESIGHT FOR TRANSPORT exercise:

	Transport Impact	External Determining Variable	Intermediate Variable	Contextual Information
Ageing and the labour market	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>