The Challenge

Understanding labour market trends is key to designing effective policies for job creation. Global and regional employment estimates and projections trace the potential of different regions in the world to absorb an ever-growing global labour force. Unemployment rates by age group and sex allow the identification of vulnerable groups most in need of support. Similarly, estimates of working poverty help target efforts to promote decent work and poverty reduction strategies more precisely. Such indicators form the basis of a modern labour market information and analysis (LMIA) system to support the deployment and assessment of national employment policies.

LMIA systems are composed of three key elements:

- Collection and compilation of labour market and household information;
- Analytical tools to evaluate and understand trends and challenges;
- Institutional arrangements and networks.

Timely and encompassing information on labour market developments has become more than ever a challenge for LMIA systems. Especially during crisis times, policy makers, employees and businesses need to be informed rapidly about latest developments, analysing in an accessible format facts and figures that come from multiple sources. Detailed information about job openings, sectoral changes, geographical imbalances and the labour force help in the design of strategies to improve labour market outcomes, to adjust to business cycle shocks and to respond to longer term challenges such as globalisation and population ageing.

In developing economies, however, lack of sufficient resources and other institutional constraints often do not allow for the collection, tabulation and analysis of labour market information at a detailed level and in a timely fashion. Here, LMIA systems can provide support in combining existing data with analytical tools to provide estimates of trends and key labour market developments.

The ILO Response

The Employment Trends Unit produces global and regional publications and databases on labour market trends to support employment and decent work policies.

At the country level, the Employment Trends Unit assists constituents in developing LMIA systems. This is carried out both through specific interventions such as support for data tabulation and analysis including the development of special purpose analytical tools, and through more comprehensive approaches including employment projections. For example, a project to improve the LMIA system in Viet Nam, completed in 2010, included activities to support all three elements. Other countries where the Employment Trends Unit has supported LMIA activities include Egypt, Liberia, Malaysia, Mongolia, Mozambique, Namibia, Pakistan and Sri Lanka.

At the global level, the Employment Trends Unit focuses its work on three major products:

- **Key Indicators of the Labour Market (KILM), a multifunctional research tool of the ILO.** The KILM includes a comprehensive database of country-level data on 18 key indicators of the labour market from 1980 to the latest available year. Each indicator is accompanied by descriptions of the standard international definition of the concept and measurement procedures, guidelines on how the indicator can be used in analyses of labour market issues, and words of caution on comparability limitations. Readers are guided on the value of using multiple indicators to develop a broader view of labour market developments. The KILM therefore serves as a tool for policymakers and researchers in monitoring and assessing many of the pertinent issues related to the functioning of labour markets.

- **Global Employment Trends (GET) series.** The GET series reviews global and regional economic and labour market developments and analyses driving factors and longer term determinants. The analysis is based on the most recently available data with a view to developing information and analysis that is essential for promoting full, decent and productive work for all, including women and young people. Building on the KILM, the GET reports include a consistent set of tables with regional and global estimates of labour market indicators. Each issue of
Global Employment Trends also contains a medium term labour market outlook based on projections or scenarios, focusing on unemployment, vulnerable employment and working poverty. The reports have been published on a yearly basis since 2003, with special editions analysing labour market trends for segments of the population such as youth (2004, 2006, 2008, 2010 and 2011) and women (2004, 2007, 2008 and 2009), or for certain regions. The Global Employment Trends 2012: Preventing a deeper jobs crisis issue focused on the prolonged labour market slump caused by the global economic crisis and offered a selection of policy options to jump start employment creation.

- **Millennium Development Goals (MDG) employment indicators.** In 2008 a new MDG target on “achieving full and productive employment and decent work for all, including women and young people” was introduced together with four employment indicators. The ILO raises awareness on the MDG employment-related indicators and offers country-level support to ensure that these indicators are used in national and international labour market monitoring systems. Work on the new MDG indicators includes the organization of workshops to support country-level analysis and to highlight the linkages between the MDG employment indicators and the decent work agenda.

### Key Tools and Resources


http://www.un.org/millenniumgoals/


