

Mutual Learning Programme Database of National Labour Market Practices

Denmark - The Local Job Barometer

This database gathers practices in the field of employment submitted by European countries for the purposes of mutual learning. These practices have proven to be successful in the country concerned, according to its national administration. The European Commission does not have a position on the policies or measures mentioned in the database.

Source of national practice	Peer review on Measuring labour market tightness to improve employment policies and reduce skills mismatches. Peer country comments paper: Denmark
Title of the policy or measure (Original language)	Det lokale Jobbarometer
Title of the policy or measure (English)	The Local Job Barometer
Country	Denmark
Name of the responsible body	The Danish Agency for Labour Market and Recruitment (STAR)
Geographical scope of the responsible body	National
Name(s) of other organisations involved (partners/sub-contractors)	Not applicable
Start year of implementation	2017
End year of implementation	Ongoing
EU policy relevance	Within the context of the European Employment Strategy (ESS) this practice is relevant to Employment Guideline 6: <i>Enhancing labour supply, skills and competences.</i>

<p>National labour market context</p>	<p>The financial crisis of 2008 impacted on Denmark relatively hard and it experienced a relatively slow recovery (Bredgaard & Madsen, 2018). Therefore, up until 2013 discussions concerning imbalances on the labour market focused on expected skilled labour shortages and labour of those with higher education levels in the medium and long-term. Since 2013 Denmark experienced a rapid increase in employment and declining unemployment which impacted the policy debate further. Total employment rose by almost 200 000 persons or 7.1% from 2013 to mid-2018, while registered unemployment dropped from 6.6% to 3.5%.</p> <p>As a result of the debate on labour imbalances, vocational education underwent large-scale reform in 2015. Tripartite negotiations followed in 2016. Again, in 2016, important initiatives between the government and social partners were agreed including improvements in the present system for analysing the labour imbalances (1).</p> <p>More recently, several political actors also argued the need for foreign labour, including from outside the EU.</p> <p>(1) Trepartsaftalen II, 2016:4-5 referenced in EU (2018), <i>How low can you go? Measuring labour market tightness in Denmark</i>, by Per Kongshøj Madsen for the Peer Review on “Measuring labour market tightness to improve employment policies and reduce skills mismatches” France, 15-16 October 2018.</p>
<p>Policy area</p>	<p>Skills supply, productivity and lifelong learning</p>

<p>Specific policy or labour market problem being addressed</p>	<p>The key issue relates to the provision of better information on recruitment challenges that can be used in active labour market policies and by different actors involved in education and business development.</p> <p>In Denmark the analysis of labour market tightness and skills mismatches is carried out by several institutions that emphasise different aspects of the issue, for example, macroeconomic level balances and overall (im)balance between labour supply and demand (2). In Denmark, the issue has primarily been dominated by a debate on future mismatches between labour supply and demand for those with different levels of education.</p> <p>However, in addition to looking at the longer-term view of things, statistics are also published on the short-term situation. The Danish Agency for Labour Market and Recruitment (STAR) produces detailed quantitative estimates of regional and local imbalances. To support the day-to-day work of the jobcentres, the unemployment insurance fund, and educational institutions STAR produces the following:</p> <ul style="list-style-type: none"> • Regional market balances: Based on a survey of companies, the Labour Market Balance is published twice a year where both the unemployed and general public can get information on labour market prospects for individual occupations in each of the eight labour market regions; • Local market balances: STAR also provides a monthly assessment of the balance for different occupations in each of the 90 local jobcentres. This is known as the local jobs barometer. The barometer is based on several sources, including the Labour Market Balance, the workforce reserve (3) and information about vacant positions. It is a two-page printed document and is also published online where the 50 most frequent occupations mentioned in the CVs of the unemployed in the local area are divided into three main groups (good opportunities, balance between demand and supply, and surplus of labour). The aim is to use this information directly in the practical counselling of the unemployed individual. <p>(2) Such analysis is especially the focus of the Ministry of Finance and of the Economic Council. See EU (2018), op cit.</p> <p>(3) The workforce reserve is a monthly statistic of the number of unemployed persons with duration of unemployment of at least three months. See EU (2018), op cit.</p>
<p>Aims and objectives of the policy or measure</p>	<p>The aim of the Local Job Barometer is to provide a detailed overview of the local job situation. It acts as a guide to the local unemployed in their job search activity, providing information on the availability of job opportunities for a specific position in the area, and an overview of job opportunities locally. (4)</p> <p>(4) See https://holbaek.dk/indholdsblokke</p>

**Main activities/actions
underpinning the policy
or measure**

- The job barometer is an overview of available jobs in a particular area and provides information on whether job opportunities exist in an area for a specific position.
- For each jobcentre, the National Agency of Labour Market and Recruitment (STAR) issues a job barometer each month, in print and online. The barometer is based on several sources, including the Labour Market Balance (5), the workforce reserve (6) and information about vacant positions. The latter is provided by regular surveys conducted by STAR.
- The job positions included in the barometer are based on the job centre's registered unemployed and the positions that they indicate they are interested in finding.
- Because the job barometer is based on the preferences of the unemployed and vacancies, each job barometer is current, unique, and local. (7)
- It is a two-paged document that provides a monthly assessment of balance between supply and demand for different occupations in each of the 90 local jobcentres. (8) The first page shows the job opportunities for the 50 most frequent occupations mentioned by the unemployed registered in the jobcentre. The second page can show additional information, for instance about the job vacancies in the region in the last three months. It presents an overall picture where good job opportunities exist, and what positions companies are looking for. The second page may also list the occupations with "less good job opportunities", where labour supply is greater than demand. For each of the occupations, four closely related occupations are also shown to illustrate that there may be other opportunities for the unemployed.
- The job barometer is part of a set of tools that can be used in the conversation between the PES caseworker and the unemployed person and as a starting point for a discussion of opportunities and goals, providing both input and inspiration to the job search activity of the unemployed. (9)

(5) STAR compiles the Labour Market Balance by combining its own register data of the registered unemployed, employed and job turnover with a biannual survey among 15 000 companies. On the basis of the survey and the register data, approximately 900 occupations are divided into the five categories: less good job opportunities, good job opportunities, paradox-problems, shortages of labour and severe shortages of labour. For details see the Danish discussion paper to the peer review Peer Review on "Measuring labour market tightness to improve employment policies and reduce skills mismatches" pp. 3-4.

(6) The workforce reserve is a monthly statistic of the number

	<p>of unemployed persons with duration of unemployment of at least three months. See EU (2018), op cit..</p> <p>(7) Ibid.</p> <p>(8) For examples see here</p> <p>(9) See https://star.dk/viden-og-tal</p>
Geographical scope of policy or measure	National
Target groups	Long-term unemployed (more than 12 months), People not in education, employment or training (NEETs), Older workers and unemployed (aged 50 to 64 years), Young people (aged 16 to 25 years)
Outputs and outcomes of the policy or measure	<p>Outputs</p> <ul style="list-style-type: none"> • A monthly two-page publication produced by STAR for each of the 90 job centres, in print and online, presenting the job opportunities for each job centre's own unemployed. • A national website has been created with details of the local jobs barometer. Through the website all the job barometers for each of the 90 jobcentres can be accessed. • Some of the local jobcentres also link to the Local Job Barometer on their own website. <p>Outcomes</p> <p>The Local Job Barometer is considered a powerful tool in the conversation between a PES caseworker and a jobseeker that can illustrate the unemployed person's opportunities in a quick, easy-to-understand and clear way. No systematic assessment has been made. However, the general view of STAR is that the job barometer is regularly used by the local job centers, which is as an indication of its value to them in their work of providing guidance to individual unemployed.</p>
Management and implementation arrangements	The Danish National Agency of Labour Market and Recruitment issues a job barometer each month for each of the 90 jobcentres.

Key challenges	<ul style="list-style-type: none"> Concerning the challenges in assessing the labour market tightness, a major issue is the availability of good quality data that covers the whole labour market and not just the data that are immediately available to PES through its own administrative data. Therefore, information has to be supplemented by company level surveys and other sources. (10) Secondly, the Danish approach is based on a stepwise bottom-up procedure, where quantitative information about each of the many individual occupations is combined following well-defined decision rules. More advanced statistical analysis is not used. This could be considered in further development of the measure. The job barometer is not fully integrated with the other sources of information used by the jobcentre. This is considered by STAR as a focus for future improvements. <p>(10) EU (2018), op cit.</p>
Key conditions for success	<ul style="list-style-type: none"> The main factor behind the success of the Local Job Barometer is its usefulness in informing practical planning and guidance. The information provided is very detailed and aims at providing practical information for the regional and local authorities that can be used in concrete planning and guidance activities also at the level of the individual unemployed. The barometer illustrates the unemployed person's current opportunities in a fast, communicative and clear way. It is updated every month and therefore provides an up-to-date overview of the job situation in the area and information on job opportunities that can easily and quickly be communicated in a conversation with the individual unemployed.
Method of assessment	Internal monitoring
Type of assessment	Qualitative assessment
Duration and frequency of the assessment	Not applicable.
Further information on the assessment	As stated above the Local Job Barometer is considered a powerful tool in the conversation between a caseworker and a jobseeker that can illustrate the unemployed person's opportunities in a quick, easy-to-understand and clear way.
Links to the website, background information and assessment material	The Local Job Barometer website of STAR
Contact details	<p>Daniel Vizel, Head of section, Division for Knowledge and Analysis, Danish Agency for Labour Market and Recruitment (STAR)</p> <p>Tel: +45 72 21 77 46</p> <p>E-mail: dviz@star.dk</p>

Keywords	Denmark; local jobs barometer; demand and supply of labour; job opportunities; recruitment difficulties; skills matching; reducing unemployment;
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