COUNTRY FICHE: LITHUANIA

PES NAME: The Lithuanian Labour Exchange (LDB)

Basic organisational model

Type of organisation/relation to government

Public corporation subject to the control of the Ministry of Social Security and Labour.

Structure and organisational levels

- Head office in Vilnius;
- 10 local labour offices;
- 49 divisions, established in municipalities managed by local labour offices to provide services to clients.

Management structures and the role of social partners

- Management: LDB is managed by a Director and a Deputy Director, appointed and dismissed by the Minister for Social Security and Labour. Both the local labour offices and their divisions are administered by the local Directors and Deputy Directors.
- Supervision: The Minister for Social Security and Labour sets the annual objectives and targets within the Annual Action Plan. LDB, then, is responsible for the implementation of these targets and for the management of allocated funds.
- Social partners: unions and employers are involved in a Tripartite Commission whose purpose is to analyse the labour market trends and the effectiveness of employment services and programmes, and to make proposals on how to improve the LDB's activities.

Financing model

PES financing by source, Euro (million)

	Expenditure (EUR million)						Change 2010-2011 (%)		
	2010			2011 (forecast)					
Source of funding (%)	Total Budget	Operating costs	ALMP	Total Budget	Operating costs	ALMP	Total Budget	Operating costs	ALMP
Total	220,8	21,6	52,0	184,6	22,0	51,5	-16%	2%	-1%
Social security contributions	68,7%			131,6 (71,3%)					
Government and other public funding	2,6%			5,5 (3,0%)					
ESF	24,7%			42,0 (22,7%)					
Other EU Funding	4,0%			5,5 (3,0%)					
EURES									
PES own revenues									
Other									

Note: "Other EU Funding" comprises EGF and ERDF.

Human resources

PES human resources

	Number of staff	% directly servicing clients
Total	**2.325**	80%
Head office	76	0%
Local offices	1.294	74%
49 customer service branches	955	95%

Note: the share of staff directly servicing clients includes all employees who come into contact with customers, regardless of the type and frequency of contacts. The highest percentage of people involved in client services is in the municipal divisions, with more than 95% of the staff (909) employed in these activities.

Integration of employment services and benefit payments

Unemployment and related benefits

- Unemployment benefits are paid through the Employment Fund, administered by the Ministry of Social Security and Labour. The Lithuanian PES is responsible for the registration of applicants.

Other social benefits

- Unemployed people registered with local labour offices can access other kinds of benefits as well: social minima and compensation for heating and other costs (paid by Municipalities) and partial unemployment benefits for those made redundant after October 2008 (paid by the Globalisation Fund).

Clients/Customers

Jobseekers

Jobseeker client groups	Number	%
Total		
Job seekers	358.545	-
Registered unemployed	311.261	86,8%
Employed jobseekers	16.794	4,7%
Student	1.846	0,5%
Involved in the employment support measures	25.454	7,1%
Inactive (retired and pre-retirement age)	2.943	0,8%
Individuals with the need for vocational rehabilitation	247	0,1%
Female	139.062	44,7%
Male	172.199	55,3%
Youth (up to 25 years)	44.679	14,4%
long-term unemployed	129.960	41,8%
Additionally supported in the labour market	258.266	83,0%
Receiving unemployment benefits	47.270	15,2%
Rural inhabitant	113.715	36,5%

Some conventional socio-demographic characteristics are recorded for all clients, such as: gender, age, duration of unemployment, disability and ethnicity.

Employers

Employer clients are categorised by three characteristics: the size of the enterprise, sector of activity and form of ownership.

Employer client groups	Numbers	%
Total	51.398	
Employer customer group by size of enterprise		
• < 10	32.441	63,1%
• 11 – 50	14.261	27,8%
• 51 – 100	2.868	5,58%
• 101 – 250	1.332	2,59%
• 251 – 500	335	0,65%
• 500 <	161	0,31%
Employer customer group by sector of activity		
• Agriculture	2.747	5,35%
• Industry	6.702	13%
• Construction	3.669	7,14%
• Services	38.280	74,51%
Employer customer group by form of ownership		
• Private sector	46.903	91,3%
• Public sector	4.495	8,75%

Note: the figures refer to a total of 51.398 clients, who are all categorised by three different characteristics. These numbers overlap considerably.

Other clients

- LDB offers special services to employees who have been given a notice of dismissal, as well as persons who have completed psycho-social and/or vocational rehabilitation programmes;
- Institutions offering vocational rehabilitation services.

Types and methods of service provision

Services for jobseekers

- Information on PES service provision is provided both directly and by other means, such as phone, fax, emails or the internet to all registered unemployed;
- Counselling, placement and planning of individual activities are provided to all clients;
- Active labour market policy programmes are available to all the registered persons, by recourse to training institutions.

Services for employers

- Information and counselling;
- Registration and advertisement of job vacancies;
- Selection of potential employees for a job vacancy;
- Organisation and financing of active labour market policy measures.

Job vacancies and market share

Collecting information on job vacancies

Employers report vacancies to LDB on a voluntary basis, through different means such as phone, fax, internet or emails.

Visits to employers, twice a year, are used as a means of collecting job vacancies, too. Local staff constantly look for vacancies on the internet or press materials.

Vacancies and referrals

2010: total of 150,532 vacancies, of which 91,525 were for permanent and 59,007 for temporary positions.

The number of positions filled during 2010 was 128,752 permanent and 58,152 temporary.

Matching of supply and demand

Supply and demand on the labour market are analysed on a regular basis. An electronic system, called DBIRZA, combines labour supply and demand and is used by both employees and employers. All the information on vacancies is, then, shared with the Ministry of Education and Science, in order to better anticipate and plan training needs.

Market share

The estimated market share in terms advertised job vacancies is approximately 33%.

Method: (Advertised vacancies / Total number of vacancies).

Active labour market policies

LMP Services

Name of service	Brief description	Delivery
Individual employment plan	Development of an individual employment plan including the commitments of the unemployed person and the local labour exchange regarding active LMP measures and LMP services, in order to ensure employment for the person and the assessment of the progress.	Local labour exchange.
Development of job-search skills	Helping jobseekers to develop independent job-search skills and teach them how to use the information tools available at the labour exchange.	

LMP Measures

Name of measure	Category	Brief description	Delivery
Training Alternate training	2 2.3	Training is organised to provide qualifications and/or opportunities to acquire competencies which are necessary in taking up employment.	Local offices; training is provided in training centres and practical training establishments.
Employment incentives Recruitment incentives	4	Social enterprises endeavour to give employment to persons who have lost their vocational skills or general earning capacity, which are economically inactive and are unable to compete on the labour market under equal conditions.	Local labour offices
Employment maintenance incentives	4.2	The aim of subsidised job creation is to support permanent employment for persons with disabilities by giving incentives to employers to create new jobs or adapt the existing jobs to the disability of the unemployed.	Local labour offices
Supported employment and rehabilitation	5 5.2	The aim of vocational rehabilitation services is to maintain or improve the work capabilities of disabled persons and to increase their employability.	Local labour offices
Direct job creation	6	Community work is organised by local labour offices together with municipalities and employers in firms, organisations or bodies with a view to performing temporary socially beneficial jobs.	Local labour offices
Start-up incentives	7	The aim of the measure is to support persons who create jobs for themselves or for other unemployed persons by starting a new business.	Local labour offices

Management logic and performance measurement

Planning process

The planning process usually starts with the setting of annual objectives by the Minister for Social Security and Labour, within the Annual Action Plan. The Ministry also allocates funds for the attainment of the objectives and controls the use of the funds. LDB is then responsible for the implementation of these goals. Then, each local labour office produces, following the government's instructions, its own action plans which must be approved by the LDB Director.

Types of objectives and targets

Three main targets for 2011:

- Ensuring an easy access to employment services;
- Promotion of employment among the jobless by offering them participation in ALMP measures;
- Enhancement of placement services by matching supply and demand of labour more effectively.

Monitoring

The performances of local labour offices are monitored quarterly and submitted to the Director. The latter is required to report regularly to the Ministry of Social Security.

Lean management

The principle of lean management is not integrated in the design of processes.