NAF2022

15. September 2022

TACKLING LONG-TERM UNEMPLOYMENT

Agenda

- **Tackle long-time unemployment (LTU)**

- Use DATA to rank the risk of **LTU**

- 2 data sources:
  - › Icelandic PES Statistics
  - › Questionaries from NL

- Provide Tailored service to the high-risk group

Unemployment due to Covid-19   -   20 months
Unemployment due to Banking crisis   - 100 months
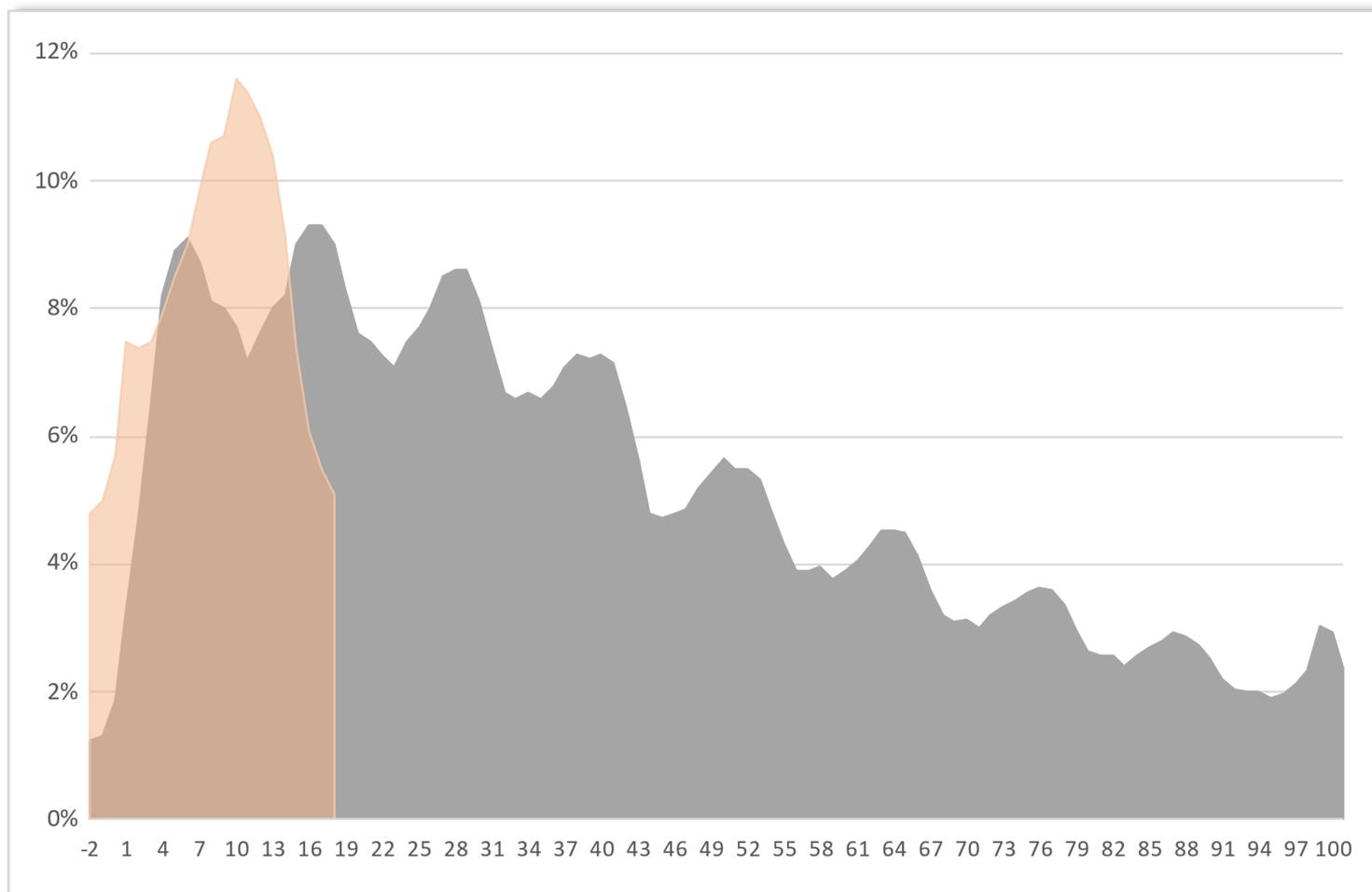
Long-time unemployment (LTU)

- Covid struck Iceland especially hard because tourism has become a big part of the economy

- Even if unemployment fell sharply after Covid, there is still a lingering long-time unemployment

- Out goal:
  - › **Bring it down** and
 - › in the future try to **catch it early** (prevent it)

Objective

- Use data to prioritize our forces against **LTU**

- Immediately upon registration of unemployment assess the risk of them stranding in unemployment

- Provide tailored service to the top of the list   **Focus on these**

- How will we find who has the highest risk of **LTU**?

  › Use Icelandic historical PES data to estimate risk of **LTU**
  › Follow the lead of Netherlands Work Profiler
  › Combine the two to make a ranking

50% are gone within 3 months

| 10 |
| 20 |
| 30 |
| 40 |
| 50 |
| 60 |
| 70 |
| 80 |
| 90 |
| 100 |

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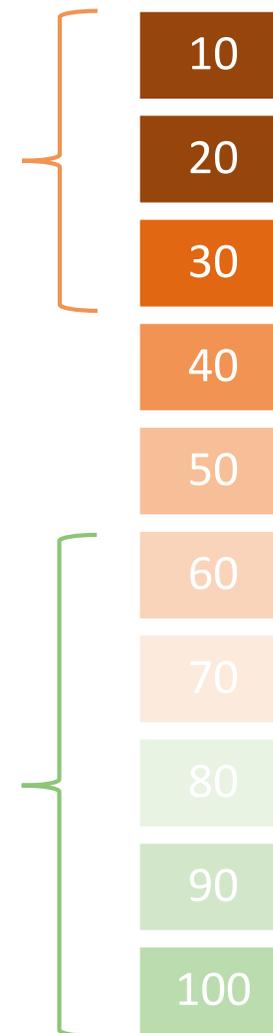
Rank the risk of **LTU**

IS 15-year historical PES data

NL Work Profiler Questionary

LL = Combination of the two

IS

NL

+
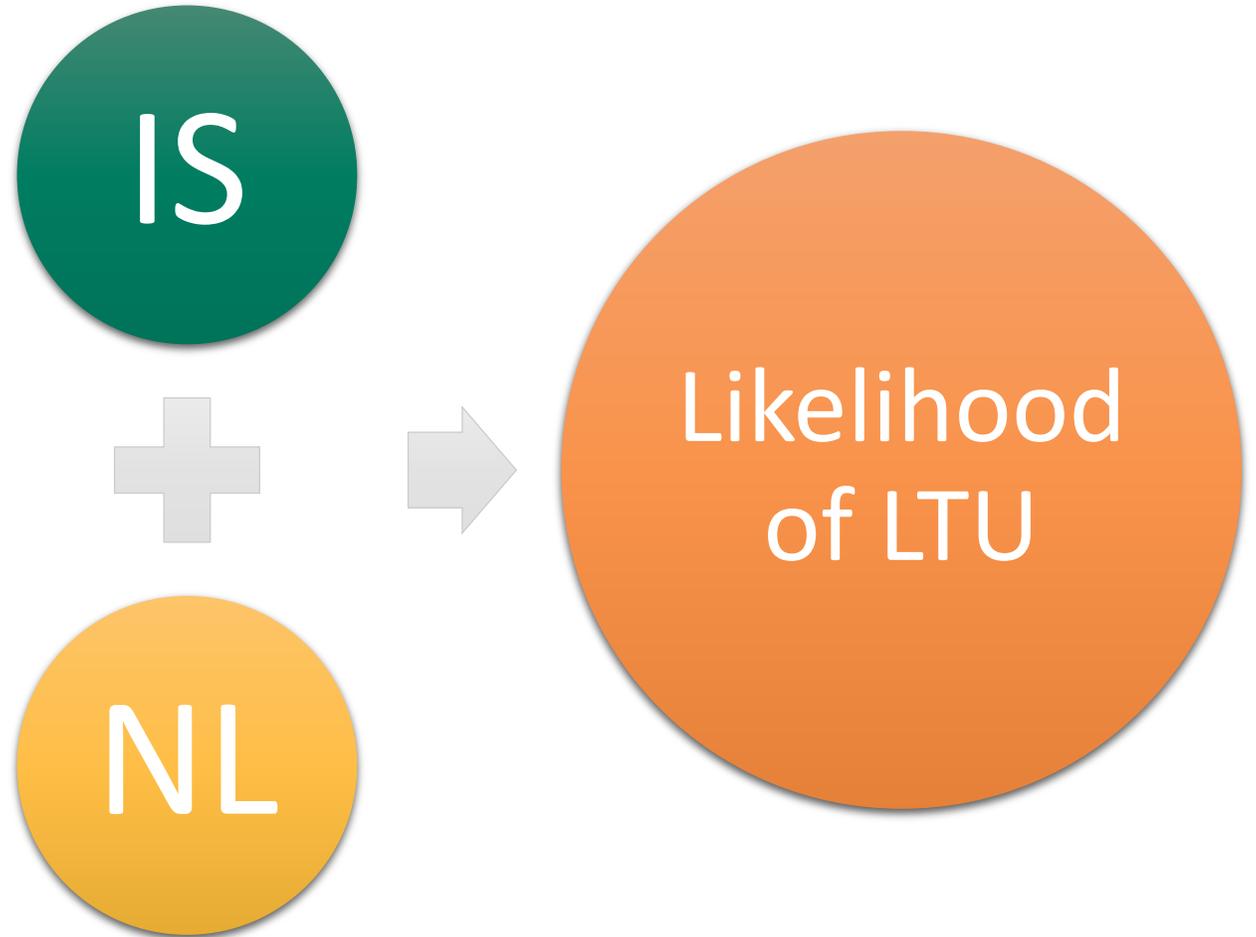
Likelihood
of LTU

ICE – 15 years of data from Icelandic PES

IS

Likelihood of LTU

NL
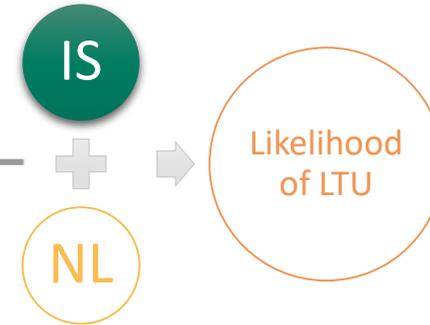
- **Data**: 15 years of PES data to find risk factors for **LTU**

- **Method**: Linear regression to calculate likelihood of LONG
  Immediately upon registration of unemployment

- **Conclusion**:
- Who have the highest risk of **LTU** according to PES data?
  - › **Older**
  - › **Foreigners**
  - › **Uneducated**
  - › **Women** (if not uneducated and/or foreigners)

VINNUMÁLA STOFNUN   Fyrirmyndarþjónusta - Virðing - Áreiðanleiki

ICE - Status

IS

NL

Likelihood of LTU
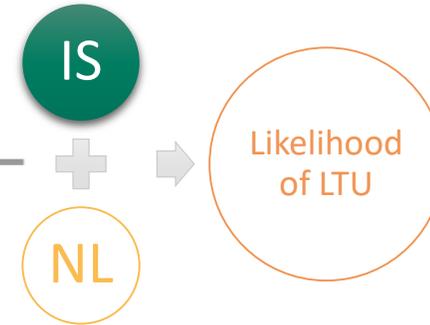
- The **IS** formula is ready

- Everyone on unemployment registry has been ranked according to it

- **IS**   =   0.235
  - \+ $0.0024 * Age$
  - \+ $0.1000 * For$
  - – $0.0132 * Edu$
  - – $0.0100 * Man$

VINNUMÁLA STOFNUN

NL – Work Profiler from the Netherlands (2014)

IS

Likelihood of LTU

NL

- **The Work Profiler: A digital instrument for selection and diagnosis of the unemployed**

- **Martijn A Wijnhoven & Harriet Havinga at UWV**

- 20 questions (items) grouped into 10 soft factors

- **Examples:**
  - › How many years were you employed in your last job?
  - › Do you have problems understanding Dutch/Icelandic?
  - › During the last month I have attended job interviews with employers
  - › I feel too ill to work.
  - › I expect to find work soon on my own account.
  - › I know what to do the coming month to find work.
 - › Getting a job depends on sheer good luck.

VINNUMÁLA STOFNUN

Fyrirmyndarþjónusta - Virðing - Áreiðanleiki
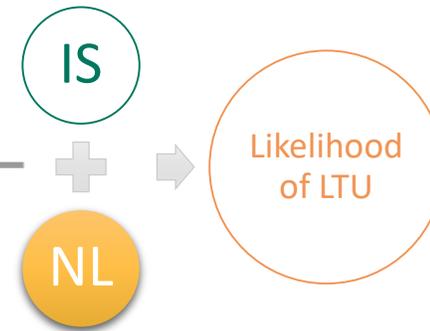
NL – Factors of the Work Profiler from the Netherlands

IS

NL

Likelihood
of LTU
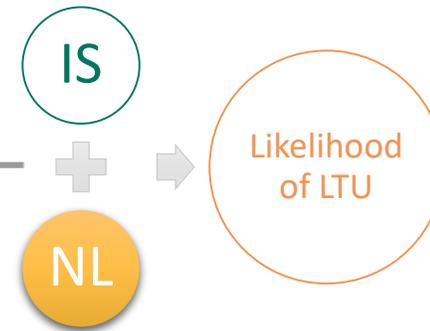
We will use the **weights** from The Work Profiler
And assume that they will work for Iceland

Factor	weight	relation	items
1. age		-	1
2. contact with employers		+	3
3. difficulties understanding Dutch language		-	2
4. views on return to work		+	3
5. work ability (general)		+	1
6. job search intention		+	3
7. feeling too ill to work		-	1
8. external variable attribution		-	3
9. mental work ability		+	1
10. years employed in last job		-	1
11. physical work ability		+	1
Total			20

NL – Status

IS

+

NL

Likelihood of LTU
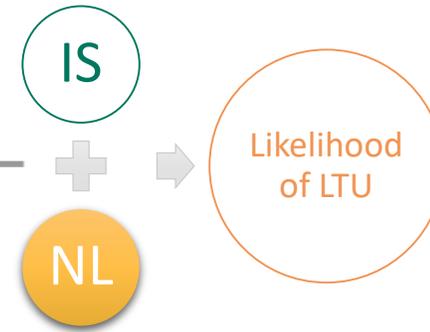
We are just starting:

› The 20 questions have been translated

› The list will be tested on two different groups

› The **NL** formula is based on NL weights

› Reevaluated after a year

LL – Combine the two

IS

NL

Likelihood
of LTU

10

20

30

40

50

60

70

80

90

100
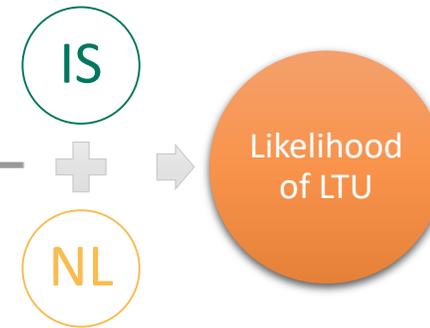
Calculate **ranking** that looks like likelihood

LL = IS * NL

And we have a risk ranking for everyone

The top 2-3 boxes then go to the *special forces*

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Kiitos

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