

Development of Staff Competences

The aim of the staff of the Lithuanian Labour Exchange is to provide services promoting life long learning and improvement, and changes on the labour market would lead to the beginning of new possibilities and challenges.

Goals and tasks taken by the Lithuanian Labour Exchange and its 46 territorial offices for the year of 2008 were successfully implemented by qualified labour market specialists. 85% of employees working at the Labour Exchange are with University education.

Capacities of the labour exchange staff are purposefully developed according to the specially drafted programme for a year, pursuing to ensure that the provided public services corresponded to the level of services provided by employment services of the EU member states. Aiming at improving labour exchange activities particular attention was given to the upgrading of skills of newly hired civil servants providing services directly to the clients.

Means of the European Social Fund allocated for upgrading skills of the staff. Through the implementation of the project "Promotion of social integration of the disabled" 86 staff members from territorial labour exchange offices were trained for working with the disabled.

Upgrading of skills is carried out at work. The Lithuanian Labour Exchange team of trainers helps to ensure the quality of services provided to the clients. The team prepared in-house training sessions without distracting employees from their direct duties. Educational video-programmes prepared by the Lithuanian Labour Exchange division of methodology on motivation of employees, on providing information and advice by phone, on proper provision of services to the clients and others were demonstrated during in-house training seminars at territorial labour exchange offices saving the Employment Fund means for travelling.

Cooperation with Employers and the Development of Social Partnership

In the face of the increasing tension on the national labour market Lithuanian Labour Exchange activated cooperation with employers entering into new contacts for the development of joint actions in harmonizing labour market of the country.

Almost 46 thousand employers used the services of labour exchange. The number of enterprises attended per year increased by 2,4 thousand.

Agreements between labour exchange and employers on providing services are concluded with more than 56% of attended employers in the country. The agreements coordinate the participation of employers in organising reference of unemployed persons into active labour market policy measures; encourages employers to register vacancies by negotiating the organisation of the placement into jobs and the selection of possible candidates. In 2008 about 4 thousand agreements on providing services were signed with new companies.

Employers were encouraged to use electronic and other services functioning on self-search principle. More than 10 thousand employers were practically introduced with the possibilities of electronic services. In 2008 employers have registered electronically 26 thousand vacancies using internet.

Public acknowledgement and awards to the most active employers. Lithuanian Labour Exchange appreciating the importance of cooperation with companies and disseminating positive practice has for the first time awarded employers with

Information and Public Relations

Possibilities in the sphere of public relations are constantly revised with the view of improving the LLE image considering the existing situation and communication means with external audience. Analysis and monitoring of articles and reports on the activities of the labour exchange in the media (press, TV, radio and internet portals) are carried out daily. The number of articles analyzing labour market issues and informing about the implementation of active labour market policy measures, activities of social enterprises, local employment initiatives, and services provided by the labour exchange has increased.

Interactive communication with representatives of the media helps to form a positive image of the labour exchange. Special press-releases about the situation on the labour market, group discharges and unemployment tendencies, labour exchange news and actions organised for jobseekers and employers are sent to news agencies ELTA, BNS, REUTERS, BLOOMBERG, national radio and TV stations.

Relevant news on the activities of the Lithuanian Labour Exchange are placed on the internet with expedition.



letters of thanks. Awards were dedicated according to 5 nominations: **for creating new jobs in the territories of highest unemployment; for integration of socially vulnerable persons into labour market, for active and progressive cooperation with the labour exchange; etc.**

At the beginning of the year Lithuanian Labour Exchange signed cooperation agreement with the Association of public internet access points. Currently rural residents may use e-services of the labour exchange at public internet access points, finding there information on employment possibilities, marketable professions, and labour market news.

In May Lithuanian Labour Exchange signed cooperation agreement with the Conscription administration service at the Ministry of National Defence. It was agreed to provide more information at territorial labour exchange offices on professional military service, military specialities and career opportunities in the Lithuanian Army.

Through participation in the project "Development of computer literacy among the population" carried out by the alliance "Langas į ateitį" and funded by the ESF, 1,3 thousand unemployed persons had the possibility to learn using modern information technologies.

In cooperation with the Department of prisons at the RL Ministry of Justice, information corners were established at penitentiaries, where labour market days were organised quarterly.

Updated Internet Web Sites of the Labour Exchange are More Convenient for Clients

The largest job search and labour supply system in the country monthly presents for jobseekers several thousand various relevant job offers. According to the data of market research companies the web site of the Lithuanian Labour Exchange is the second most popular career portal in Lithuania.

The internet web site www.ldb.lt was visited last year by more than 800 thousand visitors.

Clients are mostly interested in the internet section aimed at users of e-services – jobseekers and employers (55%). Every second visitor was looking for information at the central and territorial web sites of the labour exchange.

Information available at the web page reflects the situation on the labour market, forecasts and tendencies, presents new directions in the activities of the labour exchange and services, relevant news, and legislation related to the issues of the labour market.

Demonstrative version of the guide for jobseekers in using e-services of the labour exchange has been developed. Over 30 thousand new users of e-services were registered since the beginning of the year.

EURES Lietuva internet page (www.ldb.lt/eures) provides a lot of information for individuals willing to arrive and work in Lithuania, as well as for Lithuanian citizens willing to go and work abroad in the EU/EEA states, and economic migrants of Lithuania planning to return.

The web site of the LLE is the winner of the competition "The New Distributor of Books".

The system of the internet web site of the Lithuanian Labour Exchange and its 46 territorial offices was awarded as the winner in the category of "E-inclusion and participation".

Funding of Labour Market Measures

For funding of labour market programmes implemented by the Lithuanian Labour Exchange consolidated means are used. In total for the implementation of such programmes LTL 473,8 million was used, including LTL 323,3 million from the Employment Fund, LTL 69,5 million - from the state budget, and LTL 81 million – from the EU funds.

For funding of active labour market policy measures, social enterprises, occupational rehabilitation services, support to most socially vulnerable persons and other activities of supported employment over LTL 244 million was used.

As a result of the deepening economic and social crisis expenditures for unemployment insurance benefits increased. In 2008 every third unemployed person registered with the labour exchange received unemployment insurance benefits.

Unemployment insurance benefits paid to unemployed persons amounted to LTL 153,1 million, i.e. by 55.3% more than in 2007 (LTL 98,6 million). Benefits were paid to 76,3 thousand unemployed persons, accounting for 52% more than in the previous year.



International cooperation

Continuing cooperation with employment services from neighbouring countries and further away states, which grew into good practice already, Lithuanian Labour Exchange renewed Cooperation Protocols with the State Employment Agency of the Republic of Latvia, Estonian Labour Market Board, Hungarian National Employment Office, and the State Employment Centre of the Ukraine.

Expanding the circle of partners Lithuanian Labour Exchange signed Cooperation Protocol with the Romanian National Agency for Employment and a Mutual Cooperation Memorandum with the Central office of labour, social affairs and family of the Slovak Republic.

Lithuanian Labour Exchange has shared its experience on the labour market with 26 partners of national and territorial employment services from foreign countries.

Through the implementation of international cooperation protocols specialists of the Lithuanian Labour Exchange and its territorial offices have shared experience in the spheres of public relations, provision of IT an e-services to the labour exchange clients, also in rehabilitation and integration of the disabled into the labour market, marketing, administration of European Social Fund projects, working in the EURES network, and mobility issues.

Specialists of the Lithuanian Labour Exchange in cooperation with specialists from employment services of Latvia and Malta have worked out the "Methodology of motivational seminars for unskilled and motiveless young persons".

Encouraging economic migrants to return to the homeland, Lithuanian Labour Exchange participated in the project "Formation of a positive image of Lithuania and Lithuanian migrants promoting their return".

Pursuing to ensure one of the fundamental rights of individuals - the right to mobility, EURES (the network of European Employment Services) Lietuva employees provided information and advice concerning free movement of persons to 21 thousand people.

2008 Annual Report

Lithuanian labour exchange
www.ldb.lt



New Tendencies on the Lithuanian Labour Market

The increasing unemployment in the country since last autumn has become a sore issue inducing every person to reassess values and to look for new possibilities and flexibility in all spheres of activities. Intense global changes in the economy of the world have brought challenges to the Lithuanian Labour Exchange pursuing to ensure efficient, transparent, secure and flexible labour market.

Labour force supply increases. In 2008 national labour exchange offices received about 241 thousand applications from jobseekers, accounting for more than 29% in comparison to 2007, while most of jobseekers were registered during the last quarter of the year – 73,6 thousand persons.

At the end of 2008 there were 121,3 thousand jobseekers registered with the labour exchange, including 95 thousand persons having the status of the recognized unemployed. The number of jobseekers increased during a year by one third.

The number of notifications about group discharge of employees in companies increased more than twice. Such rapid growth of unemployment was determined by unfavourable economic conditions, bankruptcy of enterprises and reorganizations. In 2008 labour exchange offices received 135 notifications about the anticipated group discharge of employees, while half of them were conveyed during the last quarter of the year. About seven thousand employees were notified about the discharge.

The structure of unemployed persons is changing – unemployment is increasing among young persons and men. The number of young labour exchange clients in the age under 25 has increased almost twice – from 6,4 thousand to 11,5 thousand persons. The number of registered unemployed men increased from 27,4 thousand to 49 thousand persons. Every second unemployed registered with the labour exchange is considered an additionally supported person on the labour market, almost every fourth – in the age group over 50, every third – a rural resident. About 40% of unemployed persons addressing labour exchange have no vocational training, and over 16% had no employment for more than two years.

Long-term unemployment is decreasing. During the first nine months of 2008 the situation on the labour market was rather favourable for jobseekers. The proportion of long-term unemployed decreased almost by three times in a year – to 3.2%, and the duration of the average unemployment dropped-off by one third, amounting to 4,5 months in 2008, which in comparison to 2007 was by 1,3 months shorter.

Unemployment increased in most parts of the country. Individuals registered with territorial labour exchange offices by 1 January 2008 accounted for 4.3%, and by 31 December – 5.7% of all population in the working age. Similar unemployment rate was registered in September 2005.

The share of men jobseekers among the men in the working age increased from 3.4% to 5.9%, and exceeded the indicator of women. Unemployment among women by 31 December accounted for 5.5%. Similar unemployment ratio of men and women was registered in 2000–2001.

Even in 33 municipalities the share of population in the working age registered with the labour exchange was higher than the average in the country. By 31 December 2008 most of jobseekers were registered in the municipalities of Akmenė (10.9%), Druskininkai (10.8%) and Ignalina (8.9%). These territories remain among the territories with the highest unemployment rate during the entire

course of the year. The lowest unemployment rate was tered in the municipalities of Elektrėnai (2.1%), Neringa (2.2%), and Trakai (2.7%).

Labour force demand reduces. About 120 thousand vacancies were registered in 2008, including 88% for permanent employment. The number of job offers reduced almost by 17% in comparison to 2007. Labour force demand has significantly reduced during the period of October – December. In 2008 distinct changes in the structure of vacancies were noted. In October the demand of labour force in construction reduced almost by three times. At the beginning of the year this sector had registered about 12% of all vacancies, and in the fourth quarter of the year it did not reach the level of 10% already. The number of vacancies in the industrial sector was also decreasing – from 22% to 20%.

The total annual distribution of vacancies: in the sector of services – over 60%, in the industrial sector – 22.8%, in construction – 12%, and in agriculture – over 5%. In comparison to 2007 the number of vacancies in the sector of services was higher by 2 percent points and in the industrial sector and construction – lower by 1.7 and 0.7 percent points correspondingly.

The number of registered vacancies for skilled employees accounted for 55%, for specialists – 21%, and for unskilled workers – 24%. The demand for skilled employees reduced by 3 percent points in a year, and for unskilled workers remained unchanged.



Active Mediation is the Priority

Lithuanian Labour Exchange mediated in employment for 122 thousand persons.

This accounts for 9.5% more than in 2007. Most attention was given for mediation in employment and for expedient placement into jobs. Almost 90% of individuals were placed into permanent jobs, 70% were employed as qualified workers and specialists. Most jobseekers were placed into jobs of salesmen, cooks, painters, or managers. Every second placed jobseeker (52.6%) qualifies for the status of additionally supported unemployed person on the labour market; every fifth – in the age group of 50+; every sixth/seventh – as a young person under 25. The number of women placed into jobs exceeds the number of men (55.7% of the total number of placed persons). Long-term unemployed accounted for 5% of the total number of placed persons.

Almost 16 thousand unemployed persons started their individual activities in 2008 under preferential business licences.

Employers requested to hire 7,8 thousand persons from third countries.

Pursuing to respond to the needs of employers for skilled labour force, Lithuanian Labour Exchange issued 7,8 thousand work permits for the employment of aliens in the Republic of Lithuania. Most permits for aliens were issued in the sectors of construction (42%) and services (39.5%). Foreign nationals from 31 states arrived in Lithuania for employment, the majority came from Belarus (30%), Turkey (24%) and the Ukraine (23%).

Enhancement of Jobseekers Competences and Employment Support

Some 12 thousand of participants at vocational training programmes acquired qualifications answering the needs of the labour market. More than half of participants in the programme of vocational training were unskilled persons, and every fourth person – over 45. About 63% of participants, who acquired qualifications or additional competences, got employed within three months after graduation of training courses.

Informal educational programmes involved 1,6 thousand unemployed persons. Every second participant was developing personal skills of employment and entrepreneurship; every third was encouraged to choose a marketable profession.

Placement through subsidies helped to 5 thousand of most socially vulnerable individuals to establish on the labour market. Every second person among the participants was over 50 years of age; every fifth – a disabled person; every sixth – a long-term unemployed. 93% of additionally supported participants on the labour market remained in employment after the expiry of funding under this measure.

Measure for supporting the acquisition of working skills involved over 1,7 thousand persons. Participants upgraded their occupational knowledge and acquired the missing working skills directly at work. 94% remained for permanent employment at the same company or found jobs at similar enterprises.

About 16,4 thousand jobs were created for carrying out public works. Temporary employment was very popular among rural population, long-term unemployed and senior people over 50 years of age. Over 4,4 thousand students from socially supported families offered their assistance in performing public works during their holidays.

Jobs for individuals with severe disabilities were created with the support of the Government. Financial support to employers allowed for creating 219 new jobs for the disabled, including almost half of them for individuals with the recognised 40% working capacity level.

Local Employment Initiatives – projects for creating new jobs. Such initiatives are implemented in the territories of high unemployment. In 2008 the number of implemented local employment initiatives (LEI) reached 55, where 626 new jobs were created, including half of them in rural areas. Most projects were implemented in the sector of industries (26) and services (24).

By supporting self-employment of the disabled, possibilities are created to work at home. According to the measure for supporting self-employment 63 new jobs were created. State support for creating self-employment at home was used by 56 disabled persons with the recognised 40% working capacity level; 7 jobs were created by employers (former unemployed persons) who established small enterprises within the period of three years.

State support guarantees employment of the disabled at social enterprises. There are 820 social enterprises in the country. In 2008 the status of a social enterprise was granted to 19 new companies. The allocated financial state support helped almost 1,7 thousand of disabled persons to keep their jobs, create new jobs, and adapt the environment for work and rest of the disabled.

The network of occupational rehabilitation was expanded. Such services are provided by 9 institutions. Territorial labour

exchange offices have registered 332 individuals per year, who were recognised in need of occupational rehabilitation, and referred 279 persons to the institutions of occupational rehabilitation; also provided assistance to 36% of the disabled for integration into the labour market.

Job rotation helped employers to hire **0,4 thousand** of employees having the required qualification for substituting temporarily permanent employees of the company during their purposeful holidays or in the cases provided for in collective agreements.

Over 1,3 million of individual counselling and mediation in employment services were provided to jobseekers. Counsellors and mediators provided their assistance to more than 76 thousand jobseekers in drafting their CVs; to more than 58 thousand individuals in getting ready for the interview with employers; to over 116 thousand persons in job search using information technologies.

Counselling encourages motivation to work. Labour exchange offices organised group counselling for more than 26 jobseekers. Over 12 thousand of them upgraded their skills in information and job search; more than 3,4 thousand senior persons over 50 participated in motivation sessions; about 1,2 thousand unemployed persons were introduced with the basics in organising business.

Employment support in planning individual activities has become an effective measure for accelerating integration of the unemployed into labour market. 99% of newly registered unemployed persons with the help of labour exchange specialists have drafted individual employment plans. Every second person, who has made such plan, succeeded in achieving the set goals.



More Services Answering the Needs of Young Persons

Motivation Seminars for unskilled young persons – a new service developed and introduced through the implementation of the Project funded by the European Commission “The development of innovative services for young persons aimed at reducing unemployment among young persons and facilitating entrance into the labour market”. Motivation seminars for young persons organised by labour exchange offices were attended by over 1,3 thousand of young persons. Possibilities of socially vulnerable young persons considering their individual needs were taken into account by enhancing their capacities for competing equally on the labour market.

Youth Job Centres – a real support in planning working career. Eleven Youth Job Centres are functioning, where information and counselling services were provided to more than 204 thousand clients, including individual counselling for almost 68 thousand persons, and 116 thousand of young persons used self job search services at open information points.

Services at Offices in Neighbourhoods – Labour Exchange Closer to People

By increasing the accessibility of services in the remote territories of the country Lithuanian Labour Exchange provides services to the population of 488 neighbourhoods encouraging non-working residents to return to the labour market. Neighbourhood administration, rural schools and libraries are equipped with 1,5 thousand information zones. Residents are informed not only about the changes on the labour market, vacancies and the respective requirements, but they may also learn there about the possibilities of employment support and vocational training, social insurance benefits against unemployment and get registered with the labour

exchange during the visit. Neighbourhoods having more inhabitants are equipped with self search information terminals and free internet access, where individuals willing to choose a profession and check which occupational activity could suit them best, may undergo tests and view educational video films.

About 1,6 thousand various events were organised in the neighbourhoods, where almost 20 thousand of local residents took part in. Over 148 thousand people used information, registration, mediation in employment and counselling services provided by labour exchange specialists.

Projects Funded from the European Union Means

Means allocated from the European Social and Structural Funds provide new possibilities for integration of individuals into labour market and for rendering quality services to the clients. Thousands of people in the working age drop in daily at labour exchange offices of the country looking for advice, information, or willing to register or consult a specialist.

In 2008 Lithuanian Labour Exchange implemented one of the biggest projects: “The Development of possibilities for integration into labour market”.

Support provided by the European Social Fund (ESF) created possibilities for over 24 thousand people to participate in various active labour market policy and employment support measures. Subsequently, about 6,2 thousand participants acquired additional competences; 4,3 thousand people have chosen vocational training; 1,8 thousand – improved occupational skills; over 1 thousand – participated in informal education; 5 thousand – took part in occupational counselling and consulting programmes. More than one half of participants, who had actively participated in various activities of the project, were successfully placed into jobs.

All objectives set for the implementation of the project “Promotion of social integration of the disabled” were successfully achieved – almost 60% more than planned of disabled persons were placed into jobs.

During the period of project implementation 713 individuals participated in various active labour market policy measures, including 260 involved in vocational training, 34 – in supporting the acquisition of working skills, over 300 – in subsidized employment, and 107 – in public works.

The implementation of the ESF funded project “Occupational enhancement of the unemployed” started in June. Activities organised under this project involved 3,4 thousand participants (1,7 thousand of women), including 2,7 thousand of persons referred to vocational training, 0,6 thousand – to the measure aimed at supporting the acquisition of working skills.

The implementation of the ESF funded project “Support to social enterprises” started in November. Social



enterprises of the disabled employed additionally 56 disabled individuals, 90 assistants helped to perform labour functions to 600 disabled persons. According to activities of the project subsidies were allocated for supporting wages of additionally

employed disabled persons, for the assistants of the disabled, and for training activities of employees.

Through the implementation of the project “Survey of the efficiency of labour exchange services and the improvement of staff competences” conditions were created for territorial labour exchange employees to upgrade their competences and skills. Staff members were learning how to administer social enterprises, projects of local employment initiatives, improved English language skills, participated in career planning courses.

The implementation of the project “Development of territorial labour exchange infrastructure in 2007–2010” facilitated the opening of three new labour exchange offices in Kelmė, Plungė and Kaišiadorys with modern information and counselling, and youth job centres. Construction and reconstruction works were performed in the territorial labour exchange offices of Kelmė, Telšiai, Mažeikiai, Palanga, Varėna and Kaunas. The project is carried out according to the 2007–2013 Cohesion action programme under priority II measure: “Quality and accessibility of public services: health care, education and social infrastructure”.

The aim of the project is to expand and improve services provided by labour exchange and getting closer to the quality of similar services provided in other member states of the European Union.

Programmes for Mitigating Social Consequences of Group Discharges

For this purpose 82 preventive action programmes were developed in 2008, involving over 3 thousand of persons in active labour market policy measures or placing them into vacancies. Pursuing to assist people to be discharged information, counselling, individual planning of activities and mediation services were provided.

For the first time support from the European fund for adaptation to the consequences of globalization was used.

It was allocated for funding measures in mitigating the consequences of employee discharge from the AB “Alytaus tekstilė” company. Active labour market policy measures involved 0,5 thousand persons, including 147 placed into vacancies and 10 working under business licences.