Foreword

Giving people better opportunities to participate in the labour market is a key policy objective in all OECD and EU countries. More and better employment increases disposable income, strengthens economic growth and improves well-being. Well-tailored labour market and social protection policies are a key factor in promoting the creation of high-quality jobs and increasing activity rates. Such policies need to address pressing structural challenges, such as rapid population ageing and evolving skill needs, driven by digitalisation and the green transition. They should also foster social inclusion and mobilise all of society. In addition, labour markets have been buffeted by temporary crises like the COVID-19 pandemic and the cost-of-living crisis brought about by Russia's war of aggression against Ukraine.

People working in some sectors and locations and those with certain qualifications and skills can be more at risk of job loss. These risks are coupled with events over a person's lifetime that can increase unemployment and long-term unemployment risks, such a spell of poor health or changes in family composition and situation. Active labour market policies (ALMPs) and public employment services (PES) will have a major role in the coming years to tackle unemployment risks, support labour relocation and make labour market participation accessible for all. At the same time, digitalisation, including artificial intelligence (AI) and advanced analytics, have enormous potential to improve the efficiency and effectiveness of ALMPs and PES in supporting jobseekers, workers and employers.

The OECD is carrying out a set of reviews of labour market and social protection policies to encourage greater labour market participation and promote better employment opportunities, with a special focus on the most disadvantaged who face the greatest barriers to finding quality jobs. This includes a series of country studies, *Connecting People with Jobs*, which provide an assessment of how well each country's ALMPs and PES help all groups to move into productive and rewarding jobs, and policy recommendations for improving their effectiveness.

This review seeks to support the modernisation of the functioning and delivery of services by Latvia's PES, the State Employment Agency (SEA). The review discusses the SEA's needs for digitalisation and its strategy to guide the modernisation pathway. It also provides a detailed assessment of the SEA's digital infrastructure and key recommendations to fine-tune its operational IT system, develop data analytics capabilities and enhance dedicated digital tools to guide services for jobseekers, people at risk of job loss, and employers, as well as to better match jobseekers and job vacancies. This report on Latvia is the fourteenth country study published in this series. The action was funded by the European Union via the Technical Support Instrument, and implemented by the OECD, in co-operation with the Directorate-General for Structural Reform Support of the European Commission.

From:

Modernising Latvia's Public Employment Service through Digitalisation

Access the complete publication at:
https://doi.org/10.1787/07e830f5-en