



5th EUROPEAN DAY of the EN RLMM based on the

*Initiative for Networking Regional and Local
Labour Market Observatories Across Europe*

**SUPPORTING SUSTAINABLE LABOUR MARKET DEVELOPMENT:
The Role of Observatories and Intermediaries in European Regions and Localities**

**Results of the 5th European Day of the
European Network on Regional Labour Market Monitoring (EN RLMM)**

on 16 October 2015 in Milan, Italy

This document is based on the presentations and working group results at the Annual Meeting, which are available at www.regionallabourmarketmonitoring.net. The recording of the event can be viewed [HERE](#).



Stable development of regional and local labour markets can be supported strongly by intermediaries which bridge the gaps between different actors like the corporate world, the VET sphere, the (public) placement agencies and the associations. There are three types of labour market intermediaries in the focus of this year's European Day: the regional or local labour market observatories, the associations and the public labour administration/placement agencies. When bridging the gaps, they have different starting points and fulfil different functions ([presentation by Christa Larsen](#)).

1. Regional and Local Labour Market Observatories

Observatories have a specific position in the labour markets, since they are considered not to represent a specific interest group. Their "interest-neutral" appearance helps them to reach all of the actors in the labour market best ([presentation by Andrew Dean](#)). Their major objective is to support the dialogue between all the parties and to build reliable and trustful relationships which constitute the cornerstones for sustainable cooperation in a region or a locality. Their vehicles are – first and foremost – data and information. The examples presented during the European Day showed that it can be difficult to convince actors to join networks for the provision or interpretation of data. However, many regions have experienced that actors remain in networks when these are used for developing and implementing measures which show visible and measurable effects. Very often, the scope of activities of observatories is constrained by the fact that they are implemented as limited projects with small resources in terms of personnel and finances and that they do not have sufficient means to build measures. These structural conditions can contain some risk for their networking attempts. Another rather ambivalent notion is that they try to attract regional and local actors with their information who voluntarily join the networks. Through the actions in the network they build labour market intelligence to be able to act more efficiently than before. As this is an enabling approach, there is always the risk that not all of the relevant stakeholders join the process of networking. Other intermediaries like labour offices or employers' association can make the joining obligatory for certain key actors. However, the evidence shows that actors who join voluntarily and go through an enabling process are able to build sustainable and long-lasting regional and local networks. Incentives for joining regional and local networks were identified, containing more qualitative aspects as having access to results from research and having this translated for practical usage. Also to learn about prospective developments from forecasting is an attractive point for some actors. And, finally, the idea to have an inclusive process in a region or locality to pool the resources more efficiently is an important point for a lot of actors. Furthermore, having a platform for reflecting on former strategies is an important incentive. A major result of the discussions on observatories was that most of the observatories function despite of structural weaknesses. However, without sponsoring from the European Commission, most of the observatories would not be able to exist any longer (most often this relates to the resources from the European Social Fund).



2. Employers (Sectoral) Associations, Agencies and Ministries

These organisations are very important intermediaries for bridging the gap between the demands of companies and the programmes of the VET system. They have strong impact on transforming the VET to the needs of the companies. Therefore, we find a lot of employers' associations in this type of intermediaries. Furthermore, regional ministries of labour constitute a sub-type of these intermediaries. Examples showed that in the branch of health care and education the demands of the market can be communicated to the schools in the VET system ([presentation by Sophie Westenberger](#)). Moreover, the ministries make it obligatory for the schools to change their curricula according to changed demands. We can observe similar processes in cases where a VET organisation is part of an employers' or a sectoral association. The Italian example of Forma.Temp, a state financed organisation for temporary work and qualification, showed that such organisations can very well bridge the gap between companies (demands) and the VET ([presentation by Irene Vecchione](#)). Another example from Germany ([presentation by Sophie Westenberger](#)) showed that ministries can also sponsor consultants to bridge the gap in regions and localities. These intermediaries could be considered as rather well established in the regional structures as there is a permanent economic base for them. Their financial resources are stemming most often from private-public resources. In some of these structures there are obligations for some actors to join the networking. Compared to the observatories, the obligatory aspect is rather important there. When looking at such networks created by this type of intermediaries, we can observe that the networks and the dialogue stay stable as long as the intermediary is active. The intrinsic motivation for dialogue and binding networks is much smaller than in the case of most observatories.

3. Public Labour Offices

The major function of public labour offices is to bridge the gap between the unemployed and the corporate world. However, as experience shows the public labour offices are a heterogeneous group in terms of how they fulfil their functions. Reports of the working group showed that the public labour offices for example in Russia and other countries do not support individuals in marketing themselves for finding a job. There are other examples to tell where public labour offices do a lot. For example in Sweden ([presentation by Andreas Mångs](#)) there is a job portal offering jobs and there is a lot of support structure. Another example from Poland demonstrates that information stocks can be built systematically to provide placement officers and the unemployed with adequate information to support them optimally ([presentation by Marta Sosnowska](#)). It also became clear that employers can be information users. Public employment offices could even provide support for building strategies as the example of Lanbide, the Basque Employment Services shows ([presentation by Miren Gotzone Sagardui](#)). This is also an interesting example in so far as the public employment office has built itself a network with information providers to reach more labour market intelligence to be used in the sectors and professions. From a structural point of view, this type of intermediary could be considered more stable than the others as a result of its embeddedness in a complex permanent organisational framework. In general, it can be said that public labour offices can fulfil the function of an intermediary best when they overcome their distance to the corporate world and succeed to be accepted as a major player who understands the demands of the enterprises.



4. Regional and Local Framework Conditions Matter

There are different organisations which try to empower actors in regions and localities to take over the functions of intermediaries. In the case of developing countries, there is the example of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), which was represented in a working group. Also the OECD Leed Programme as well as the projects of the European Training Foundation support intermediaries. The reflections of these international organisations show that specific framework conditions are of high relevance if one of the three types of intermediaries described above can come into function. Relevant framework conditions are for example available financial resources, availability of structural data on which could be built on, shared culture of cooperation in a region or locality, governance structure of a state which effects in different degrees of freedom for the regional and local level or, in other words, how flexible the national employment and training policy framework is ([presentation by Michela Meghnagi](#); [presentation by Cristina Mereuta](#)). It depends on the alignment of these factors if they support or if they hinder the facilitation of intermediary activities on local and regional labour markets. This point makes also clear that a successful intermediary from one region cannot simply be transferred to another region. It always depends on the regional and local framework if a specific type or good practice can be successful or not. In terms of policy learning, it often makes more sense to understand clearly the mechanisms the activities of an intermediary and then trying to install the same mechanisms in the different framework conditions in another region or locality.

The regular exchange among the members of the European Network on Regional Labour Market Monitoring and also with practitioners is very helpful for understanding the basic mechanisms and learning how to transfer them to other regions. Therefore, we will continue having a European Day each year in order to reflect on applications and learn from each other.

SAVE THE DATE

18 August 2016: 11th Annual Meeting of the EN RLMM in Rovaniemi (Lapland)

19 August 2016: 6th European Day of the Initiative for Networking Regional and Local Labour Market Observatories Rovaniemi (Lapland)

For further information please contact the EN RLMM Manager **Sigrid Rand**, s.rand@em.uni-frankfurt.de, +49 69 798 25474.