



EN RLMM #8/2023

Frankfurt, 17 December 2023

www.regionallabourmarketmonitoring.net

Dear colleagues,

Christmas and the new year 2024 are around the corner and we are looking back on an inspiring year for our network. We had so many excellent contributions around our topic of greening regional labour markets for our anthology and big data seminars, we had a wonderful conference hosted by WFBB and left Potsdam with the feeling, that it was good to finally see each other again every year. Even when hybrid and remote sessions are sufficient for many topics during the year, it is essential for our network to meet each other in person once a year. Thanks to all of you for being part of our network, discussing with us, laughing with us and developing and sharing our vision around systematic Regional and Local Labour Market Monitoring. We are looking forward to see you on the Annual Conference in Lugano next year. In the meantime, please find here some news:

ANNUAL MEETING IN LUGANO 2024

Please find attached a fantastic Save-the-Date. In the next newsletter we will send you some hotel recommendations. Please hurry up to book your stay as Lugano is very touristic and we will be there still in the extended summer season.

CALL F– ANNUAL TOPIC 2024

A bit later than promised, but finally ready to be sent out. Please find attached the Call for Papers on **Shortages of Skilled and Unskilled Labour: Insights and Evidence to Inform Strategies Relevant to Regional and Local Labour Markets and Labour Market Observatories**.

If you would like to submit a paper, please send the preliminary title of the contribution and a short abstract to Jenny (jenny@jennykipper.de) and Christa (c.larsen@em.uni-frankfurt.de) by 31st January 2024. After your suggestion has been reviewed, the full papers should be submitted to Jenny latest by 31st March 2024. Please note, that your contribution to the anthology is not guaranteeing a speaking slot on the Annual Meeting. If you have any further questions, please contact Jenny. We look forward to your contributions.



SCIENTIFIC COMMITTEE

The Scientific Committee has updated the strategic paper on the importance of Regional Labour Market Monitoring. Furthermore there is an appendix with relevant questions on Regional Labour Market Monitoring. You find them attached.

BIG DATA WORKING GROUP

The Big Data Working Group is exploring how Regional Agents (development agencies, regional PES, regional government, county/ city councils, etc.) are applying big data in the labour market monitoring. We kindly ask you to fill in this short questionnaire <https://es.research.net/r/ENRLMM2023> so that we can map the existing projects and initiatives that are being carried out at the regional level. Thank you very much for your collaboration.

INVITATION TO TRAINING COURSE - HOW UNIVERSITIES USE LABOUR MARKET INTELLIGENCE?

Save the dates 17-18-19 January 2024! The LMI-EUniv partnership has designed a training course for university leaders on how HEI can efficiently use LMI in planning activity. The course will be delivered in Milan in hybrid sessions that consist of 5 modules:

1. Mapping the LMI sources and resources in higher education institutions
2. LMI as an essential tool for aligning higher education provision with the labor market
3. The role of LMI in university strategic planning processes and decisions
4. LMI capabilities for employability (evidencing impact and outcomes for policymakers)
5. Shaping the future resources of LMI

The course has been developed by WUT (West University of Timisoara), UNIMIB (Università degli Studi Di Milano-Biocca), Tallinn University, LISER and Prospektiker.

Register link: <https://unimib.webex.com/weblink/register/r811e01b05735cebd5fc0e9f9abca318f>

Please contact e.atin@prospektiker.es if you wish to receive more information.



REQUEST FROM REGIONAL OBSERVATORY ON THE LABOUR MARKET OF VENETO LAVORO

The Veneto Region has recently approved a regional law (n. 3/2022) aimed at tackling the gender pay gap and promoting the quality of female employment. Within this framework, the Regional Observatory on the Labour Market of Veneto, together with Veneto Welfare, has been tasked with studying and collecting data, trends and analysis on the following topics:

- Identification of social, economic and psychological factors that generate and strengthen inequalities between men and women;
- Identification of best practices from the experience of other European countries, which might inspire policies and programs to be implemented in the regional context
- Understanding how the collective bargaining system can contribute to rebalancing the gender pay gap in Italy;
- Research indicators used at international level to measure the gender pay & employment gap, highlighting which aspects of the phenomenon are considered, critical aspects, open issues etc.

We would really like to broaden our perspective beyond the border of our region and share with other regional observatories both the methodologies used and the evidence emerged.

In summer 2024, Veneto Lavoro will organize a conference in order to report on the research promoted, which could be a further opportunity to share different perspectives on gender equality in regional labour markets with other European regions.

Should you be interested in receiving more information, please contact us:

- Monia Barazzuol – researcher at Observatory on the Labor Market of Veneto Region (Veneto Lavoro): monia.barazzuol@venetolavoro.it
- Francesca Nadalin - researcher at Observatory on the Labor Market of Veneto Region (Veneto Lavoro) francesca.nadalin@venetolavoro.it



We wish all of you a wonderful Christmas, a good start into 2024 and send attached also christmas greetings from IWAK

Christa, Jenny & the EN RLMM Team

References

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Topic & Call Anthology 2024

Shortages of Skilled and Unskilled Labour: Insights and Evidence to Inform Strategies Relevant to Regional and Local Labour Markets and Labour Market Observatories.

Many regional and local labour markets across European countries are at present characterised by a high shortage of skilled and unskilled workers. Changes in demographics are a prime factor causing these labour shortages. While large numbers of retiring employees end their working lives, far less new young employees enter the labour market. It is predicated that in the next decade baby boomers and those born in the 1970s will leave the labour market completely. This trend will feature in most European countries, thus putting enormous pressures on their regional and local labour markets.

It seems that the labour demand in regional and local economies is currently primarily influenced by changing demographics rather than simply by a model of business growth and decline. However, there are other important aspects influencing a structural change in the existing economic systems, such as the green and digital transformations of the production system and its processes, as well as socio-cultural factors that will shape the economic development in the future. Altered social attitudes, values, expectations and behaviours held in society question the established understanding of progress or the quality of life. It is possible to imagine that these attitudes will continue to influence behaviours of working population, particularly against the backdrop of environmental, economic, social, peace-related and health crises. The Covid-19 pandemic contributed to such a change in choices. Evidence from many regions shows an increase in the number of economically inactive people. On the one hand, the pandemic accelerated a move out of the labour market particularly for working age population at the end of their working lives (near retirement) and those whose health was affected by the long-Covid, thus worsening a typical labour replacement challenge. On the other hand, working migrants and refugees from war zones failed to be successfully integrated into society and the labour market, due to incompatibilities between skillsets they have and the skillsets demanded in the labour market.

Therefore, it can be assumed that a permanent shortage of properly skilled labour will characterise the current and the future labour markets. This could considerably increase the bargaining power of some workers, however reskilling and upskilling of the existing workforce will largely be needed to supply adequately skilled labour to meet current and future demands. To a large extent, targeted programmes focused on integrating skilled migrants and refugees into regional and local labour markets could offer a considerable relief in the context of aging society, shortages of skills in demand and a fast-growing acute demand for employees. In the near future, all stakeholders in the labour market should be prepared for a rising demand for labour across existing sectors, and particularly in new and emerging jobs (e.g. green jobs) despite an overall slower rate of economic development. This trend could potentially lead to imbalances in the regional and national labour markets, and consequently to a variety of skill mismatch such as a mismatch between the skillset of certain groups



(i.e. long-term unemployed, young, females, migrants) and the skills actually demanded in the labour market.

In addition, heterogeneous groups of young people entering the labour market and a simultaneous dynamic change in the composition of job-related competencies, now require a comprehensive system of support. A complex system of measures to improve labour market integration has been implemented in many regions and localities of Europe and beyond. So far, however, the effects of these "transition systems" supporting the transfer of labour from school to work have been limited in most regions. A further effort is needed to improve the quality and effectiveness of guidance and support activities provided by the public employment services, particularly for young people. The collection of relevant data on social conditions and cultural orientations of young people, as well as their preferences, expectation and viewpoints on work and life will be crucial to design a fitting support system.

The problems outlined above illustrate that the market mechanisms are increasingly limited in effective coping with the shortage of labour and bringing back balance to regional and local labour markets. New innovative labour market strategies are necessary, especially in regions and localities, to develop copying mechanism that reflect a complex nature of interconnected socio-economic problems. The labour markets, especially in Europe, are increasingly determined by influences of social and cultural phenomena underlined by the new sets of attitudes around the meaning and purpose of work in one's life (e.g. work-life balance, quality of life, great-resignation, sustainable living) as well as by considerable labour shortages caused by demographic development. The regional and local labour market observatories will need to understand the "new" labour market's architecture and mechanism, especially when the demand is not anymore fully dependent on growth or decline of the economy. It seems that methodologies based on principles of system thinking can best capture the interrelation between the economic, demographic, institutional, social, ethical and cultural factors that impact the labour markets' evolution. In this new context, previously established observations, measurements and concepts need to be reviewed for their fit in the new structures and processes.

For all these reasons, the focus of this year's Anthology includes questions around how to adequately measure the relevant labour market activities and the shortages of labour in the context of changing demographics and values. In addition, the anthology will focus on how relevant decision-makers can be made aware of the changing labour market in regions and localities, and what new information and intelligence can be obtained from the new labour market.

Contributions to the 2024 Anthology could be guided by the following questions:

Labour shortages

- Which occupations and sectors (established and emerging) experience shortages of skills and labour, and how can they be measured? Which indicators are proving effective? To what extent forecasts and foresights that reflect demographic and other changes on a regional and local level are available and used? What else and how is measured, and what other data is available or is to



be generated for this purpose? How can measurement concepts be updated, are there any examples? What is the role of regional and local labour market observatories in responding to these needs? Can they act as innovators?

- To what extent a low labour supply of particularly young workers contribute to skills shortages in regions with ageing workforce and/or subject to flows of emigration? Is this trend particularly observable amongst the sectors and across jobs considered as responsible for leading the green transition and digitalisation of economy?
- How can skills and labour shortages be reduced? How can skilled labour demand be controlled? Can, for example, digitalisation, innovations in work organisation, better working conditions and pay, reduce the labour shortages? What are the consequences for regional and local economies if the demand for labour cannot be met?
- To what extent can and should migration from third countries play a role in combating skills shortages? Under what conditions would recruitment of skilled migrant workers become a sustainable and ethical solution to choose?
- To what extent social security system and health system are considered as part of the solution for increasing a number of available workers (e.g. workers with health conditions and long-Covid), or combating the in-work-poverty (that is when work doesn't pay enough and is considered not worthwhile so labour opts out from this economic activity)?
- To what extent could flexibility of employers in terms of the skills they need, as well as a willingness to invest in the education and training of employees be also a part of the solution? To what extent could flexibility of employees - to take up jobs or learn skills in demand - be required to decrease skills shortages? What role could social dialogue play here?
- What are the interfaces between the shortage of skilled workers and the regions? Is mobility between and within regions a solution and what model (e.g. commuting, circular, or a permanent move) works best? What mobility-related challenges for the supply of skilled labour will need to be addressed?

Skills mismatches

- Which groups of young people entering the labour market need support and why? Which measures are the most/least effective? How do innovative measures for target groups look like? How can the system of measures be improved and who can drive this process? What role do national or international labour market actors play in this process?
- Which groups of people face most difficulties with integration into the labour market (for example long-term unemployed, migrants, women, older employees, disabled and with health conditions)? Which groups are encountering multiple barriers (e.g. old age, language barriers, physical constraints)? How can integration succeed, what are success factors and how can they be measured? How relevant are factors like housing, child- and elderly care, mobility or health and social support for attracting skilled labour and integration of the target groups into the labour market?
- Which players and which networks can influence regions and localities to reduce the mismatch? What are important preconditions for this, and which examples of good practice are proving successful?



Observing and measuring regional labour markets in the new era

- What additional phenomena emerge when observing the changing regional and local labour markets? What phenomena go beyond the concepts of supply, demand and skills match? What are the new concepts, frameworks and emerging monitoring activities helpful to describe heterogeneous groups of labour in the labour market? Which models and data are needed to describe the changing labour market and how can these data be generated?
- What changes are needed in the advice and guidance provided to regional and local decision-makers in the labour market, business community and education/training partners? Can AI be helpful in this process, and is there also a need for changes in funding and financial support?
- How can collection and sharing of the best practice examples be improved, or better utilised, to minimise the challenging impacts of skills shortages and mismatches at the regional and local levels? How can citizens and a wider society be involved and influence these information-gathering and sharing processes to achieve greater insights and a wider impact? What policy-related lessons are there to be learned?

If you would like to submit a paper, please send the preliminary title of the contribution and a short abstract to Jenny Kipper (jenny@jennykipper.de) and Christa Larsen (c.larsen@em.uni-frankfurt.de) by 31th January 2024. After your suggestion has been reviewed, the full papers should be submitted to Jenny latest by 31th March 2024. Please note, that your contribution to the anthology is not guaranteeing a speaking slot on our annual conference. If you have any further questions, please contact Jenny. We look forward to your contributions.



We are pleased to host you next year in Lugano!

4-6 September 2024,
Lugano, Switzerland

Annual Meeting by the European Network
on Regional Labour Market Monitoring

Jointly
organized
with



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO



STRATEGY PAPER 2023

SCIENTIFIC COMMITTEE

c/o IWAK - Institute for Economics, Labour and Culture of

Goethe University, Frankfurt am Main

www.regionallabourmarketmonitoring.net



SCIENTIFIC COMMITTEE STRATEGY PAPER

Premise

The Scientific Committee is the strategic decision-making body of the “European Network on Regional Labour Market Monitoring Network (EN RLMM)”, which works on a non-profit basis to promote analyses, define concepts, compare and share best practices in regional and local labour market monitoring activities, at European and extra-European level.

The Scientific Committee, founded in Marseille (France) on 6 October 2010, is particularly committed to providing support to ideas and proposals for two of the main initiatives promoted periodically by the EN RLMM:

1. The Annual Meeting on the functioning of the regional and local labour markets from a comparative perspective (including the European Day to reflect on developments of regional and local labour market observatories).
2. The publication of a specific Anthology, aimed at promoting better knowledge of these structures and facilitate the related integration processes based on scientific models and examples of good practice.

We extend our commitment to strengthen collaborations with non-European organisations recognising that the European Union’s (EU) development strategy is itself organically linked to the international United Nation’s (UN) strategy for sustainable development. Ongoing collaboration is anticipated with the OECD, the German International Development Agency ‘GIZ’ and burgeoning links with the ASEAN states. The contribution of the EN RLMM to the EU objectives is illustrated in the Priorities 2022-2025 section - later in this paper.

Purpose

The aim of the Scientific Committee is to identify and critically discuss guidelines, policies, existing practices, and new proposals related to issues such as:

- a) The effective collection of labour market information and development of labour market intelligence to support the organisation and sustainable development of regional and local labour markets through the promotion of evidence-based decision-making and policy-formulation.
- b) The identification of common elements that can facilitate the connection and integration of labour market intelligence at local, regional, national, and European and international levels, especially by supporting the knowledge transfer among local and regional labour market observatories across Europe and beyond.



- c) Helping to maintain our established ways of knowledge-exchange and practice-sharing between European countries and beyond, as well as generating new mechanisms for observing rapid and complex changes in the labour market and profiles of occupations and skills, which have been induced by evolving socio-economic, environmental and policy contexts.
- d) The construction of a Single Labour Market in Europe.
- e) Contributing to the better achievement of the goals and tasks of the UN 2030 Agenda on sustainable development.

Approach

The Scientific Committee operates on an open, multidisciplinary, and systematic basis. Specifically we embrace both academic and expert-practitioner contributions.

Activities

The commitment of the Scientific Committee is intended to provide a sound foundation of theoretical and scientific knowledge to assist in:

- Preparing the topics, discussions and comparisons for the two main annual initiatives of the EN RLMM: the Annual Meeting (European Day) and the publication of the Anthology¹.
- Facilitating synergies between the different local and regional as well as sectoral and occupational initiatives, promote joint initiatives involving network members and external partners.
- Providing academic weight and value to the work of the EN RLMM.
- Acting as a European platform for proposals, as a specific contribution to the strengthening of economic and social cohesion policies across the European Union.
- Promoting the knowledge of European and national policies and strategies, fostering international comparison and disseminating best practices on the functioning of regional and local labour markets.

Formation

The Scientific Committee is an open structure for the collaboration of academics and labour market and regional and local development experts who want to contribute, in a free and voluntary way, to analysis related to the EU integration process through labour development,

¹ <http://regionallabourmarketmonitoring.net/>



mobility and other labour-related policies and initiatives and extend the scope of such analyses to international comparison.

The work and the structure of the Committee are organised on the basis of Regulations approved by the EN RLMM. In practice, the structure incorporates thematic sessions, periodic in-depth meetings, collaboration on bids and applications, the regular exchange of information and documents, the elaboration of guidelines and recommendations to EN RLMM members and support to the EN RLMM European Day conference.

Committee Members (as of January 2023)

The Scientific Committee is an open structure for the collaboration of academics, scholars, and experts who want to contribute, in a free and voluntary way, to analysis related to the contribution of an adequate, just, balanced functioning of the regional and local labour markets to the EU integration process and to international cooperation.

Chair- Prof. Marco RICCERI	EURISPES Institute, Rome, Italy
Co-Ordinator - Dr Christa LARSEN	IWAK Goethe-University of Frankfurt, Germany
Vice Chair – Dr Andrew DEAN	University of Exeter, UK
Vice Chair – Prof. Ciprian PANZARU	West University of Timisoara, Romania
Prof Mario MEZZANZANICA	University of Milano-Bicocca, Italy
Dr Aleksandra WEBB	School of Business and Creative Industries, University of the West of Scotland, UK
Prof Ronald McQUAID	Stirling University, UK
Prof Alfons SCHMID	IWAK Goethe-University of Frankfurt, Germany
Prof Jan BRZOSOWSKI	Jagiellonian University, Institute of European Studies, Poland
Dr Franz CLEMENT	Luxembourg Institute of Socio Economic Research (LISER), Luxembourg
Prof Renato FONTANA	Sapienza University of Rome, Italy
Prof Mattia MARTINI	University of Milano-Bicocca, Italy
Prof Vyacheslav BOBKOV	Institute of Socio-Economic Studies of Population, Russian Academy of Sciences, (RAS), Russia
Dr Matteo SGARZI	Centre for Study and Research on Qualifications and Training (Céreq), France

Principles, Goals, Guidelines: Basic references

The Scientific Committee take as basic reference to its action the objectives, principles, guidelines, norms, standards and indicators defined and shared by the international community, the European Union, national states and regional governments to improve the



role and activities of labour market services, as an essential tool for building a development model based on the quality and sustainability of economic and social growth. The reference is to the following:

Primary international documents

1. Council of Europe (CoE): The European Convention on Human Rights (1950, 2021)
2. Council of Europe (CoE): European Social Charter (1961, 1996)
3. International Labor Organization (ILO): Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (1977, 2017)
4. International Labor Organization (ILO): The Future is Now: Science for Achieving Sustainable Development (2019)
International Labor Organization (ILO): ILO Centenary Declaration for the Future of Work (2019)
5. International Labor Organization (ILO): Declaration on Fundamental Rights and Principles at Work (1998- 2022)
6. Organisation for Economic Co-operation and Development (OECD): Venice Action Statement. Decentralisation and Co-ordination, the Twin Challenges of Labour Market Policy (2008)
7. Organisation for Economic Co-operation and Development (OECD): Guidelines for Multinational Enterprises (MNEs) (2011)
8. Organisation for Economic Co-operation and Development (OECD): OECD Jobs Strategy (2018)
9. United Nations (UN): International Bill of Human Rights (1966): the Universal Declaration of Human Rights (UDHR – 1948); and the UN Covenants on Civil and Political Rights (ICCPR, 1966) and on Economic, Social and Cultural Rights (ICESCR, 1966);
10. United Nations (UN): UN Guiding Principles on Business and Human Rights (UNGPs) (2011)
United Nations (UN): Transforming our world: the 2030 Agenda for Sustainable Development (2015)
11. United Nations (UN): Science-Policy Interface SPI - Program (2015)
12. United Nations (UN): Global Compact (2022)

Primary EU documents

1. European Union (EU): Treaty on European Union (TEU) (2007)
2. European Union (EU): Charter of Fundamental Rights (2012)
3. European Council (EUCO): European Pillar of Social Rights (EPSR) (2017)
4. European Commission (EC) : European Green Deal (2019)



5. European Parliament: A strong social Europe for just transitions (2020)
6. European Union (EU): Taxonomy Regulation (2020)
7. European Parliament (EP): European Network of Public Employment Services (2020)
8. European Council (EUCO): The Porto Declaration, European Social Summit, (2021)

Other National Institution documents

1. National Plans for Sustainability submitted by States to the analysis, evaluation, review of the United Nations-HLPF. (Voluntary National Reviews (VNRs))

Continuous reference to the indications of the aforementioned documents enables the Scientific Committee to direct its analyses, reflections and proposals in support of the initiatives of the EN RLMM so that they are consistent and aligned with the progress lines defined and shared internationally.

This applies, in particular, to the research, organization and selection of the knowledge elements relating to the main processes underway in the regional and local labour markets, their specific characteristics, needs and possible evolutions; and therefore in the dynamics of the green and digital transition promoted by an increasingly stringent and widespread commitment of public and private operators for the pursuit of sustainable development objectives.

In specific terms, this framework of theoretical and practical analysis includes, for example, an integrated assessment of the main factors acting on the labour market such as *institutional factors* (functions and responsibilities of public and private services, their coordination and connection, systems of governance), *economic factors* (efficiency of labour markets and its contribution to economic development), *social factors* (quality of human capital in terms of skills and competences, inclusion/exclusion from work and community activities, organization of life and working times, quality of work etc.), *cultural factors* (relationship between employment, education, training; permanent lifelong education practices) and *demographic factors* (changes in age, education, gender structure of the labour force, population ageing, population growth, labour migration). All this taking into account and fully respects the specificities of national systems in terms of traditions and consolidated practices, responsibilities, policies.

An organic, systemic and continuous monitoring activity of the impact of these factors on the dynamics of the regional and local labour markets is considered as an essential condition to allow an adequate evaluation of the ongoing processes with reference both to the added values they produce, and the possible need for corrective and improvement interventions.



Scientific Committee Priorities 2022 – 2025

The Scientific Committee has a number of specific objectives for our observing and researching of transformations within European Labour Market(s). These are grouped into two sections reflecting:

1. The continued importance of our original objectives (as established in 2010 at the European Day in Marseille).
2. New and emerging objectives which have been devised as a response to the changes we have seen and our understanding of the labour market priorities for Europe.

Objectives Reflecting Europe's Continued Priorities

These objectives reflect the continuing work of the Scientific Committee in supporting the over-arching aims of the European Commission.

Objective 1: The role of European Labour Market in the creation of socially-responsive and sustainable economic development

The Lisbon Treaty (2009) committed the European Union: a) to build a "Single Market"; b) to promote "sustainable development...based on a highly competitive social market economy aiming at full employment and social progress"(Art. 3); c) to operate according to principles of solidarity, subsidiarity, economic, social and territorial cohesion (articles 3-5). Continuing with these aspirations, the Scientific Committee is committed to promoting social values and rights in relation to fair and inclusive employment for all. This goal is directly aligned with the key principles of the European Pillar of Social Rights (2017) that emphasise the importance of equal opportunities in socio-economic mobility, for example fair access to the labour market, good working conditions, inclusive training opportunities, decent level of employment security and social protections. In this context, the Scientific Committee - through its events and publications - continues to explore topics relating to:

- European labour markets' integration and cross-border mobility;
- Ongoing transformations of the regional and local labour markets in response to wider economic and societal changes (for example, demographic change ageing workforce, technological developments and digitalisation, decarbonisation and greening of economy).

Objective 2: Labour market modernisation

The Scientific Committee has contributed to initiatives for the modernisation of labour markets. Notable work includes our activities with CEDEFOP to establish the EU Skills Panorama and ground-breaking work with online job vacancies. Additionally, the Big Data



Knowledge Hub has been developed by the Big Data Working Group of the EN RLMM and populated by its members with their insights and projects on Big Data. The ENRLMM Big Data Knowledge Hub is a collaborative platform for mutual exchange and learning. In the Hub the user will find practical examples on how Big Data has been applied by some observatories for labour market research and consulting.

In general, this objective is driven by the evolving need of labour markets and new socio-economic priorities emerging from social, economic, environmental, and technological challenges and unpredictable events such as the Coronavirus Pandemic and the War in Ukraine. The following priorities specifically target Europe's new and emerging priorities.

Objective 3: Labour market policies and the priorities of the EU's Strategic Agenda

The Scientific Committee and the EN RLMM are committed to providing their contribution to the best achievement of the objectives and priorities of the EU Strategic Agenda, as it evolves, with particular reference to the priority area - developing a strong and vibrant economic base and the priority area Building a climate-neutral, green, fair and social Europe. The analyses, open discussions, monitoring and evaluations promoted by the ELRLMM on the processes underway in the regional and local markets mainly in the following thematic areas are oriented towards this end: education and training, employment and skills, impact of the digital transformations in the working conditions and business activities, green initiatives, circular economy, just transition, the international projections of European policies.

This complex study and research activity is integrated by the collaboration that the Scientific Committee and the EN RLMM regularly promote on these topics with other EU institutions and national bodies, such as:

- European Labour Authority.
- EURES - European Employment Services.
- Public Employment Services and their European Network.
- EEO - European Employment Observatory.
- LMO - Labour Market Observatory of the European Economic and Social Committee.
- Employment Committee of the European Council.

Objective 4. Anticipating and responding to the labour market impacts of digitalisation, artificial intelligence (AI) and skills and employment shocks (to handle circumstances of crisis)

The potential labour market impacts of digitalisation and artificial intelligence is unknown and estimates vary considerably. Some commentators cite many millions of potential job losses



whilst others emphasise that jobs will change and evolve rather than disappear. Nonetheless, change is inevitable within workforce skills and occupations and the Scientific Committee will ensure this is monitored, understood, and communicated. Already the EN RLMM has tackled digitalisation and AI and has run EU funded projects to add depth to our understanding.

The Coronavirus Pandemic was a major shock to all European labour markets. It also challenged the nature of LMI that was needed – and emphasised the importance of ‘real-time’ LMI for making quick policy decisions.

Objective 5. Anticipating and responding to the labour market impacts of the move to a sustainable, NetZero Economy

Terms for the greening of the labour market have evolved over-time however the momentum to achieve an economy in Europe that does not lead to negative impacts on the environment and biodiversity and ensures we achieve international targets for limiting climate change is necessary and fundamental. As with digitalisation and AI adoption the precise implications on the world of work are not yet known – but we will certainly need new skills and the emergence of new occupation profiles. The EN RLMM through its anthologies and conferences has addressed this and will continue to do so.

Objective 6. Anticipating and responding to the impacts of new working practices and labour market models in the context of fair and just workplaces

As the world of work has changed, new forms of employment have emerged, and each brings opportunities and risks. The emergence of zero-hour contracts and the gig economy are increasingly commonplace but have come in for criticism that while they do provide flexibility for workers prioritising this - they also fail to provide sufficient certainty of work and leave many in precarious employment.

The OECD has recognised that countries that promote job quality and inclusiveness – such as Denmark, Iceland, Norway and Sweden – are now performing better than those which focus predominantly on market flexibility (Good Jobs for All in a Changing World of Work. The OECD Jobs Strategy, 2018) - policies and institutions that protect workers, foster inclusiveness, and allow workers and firms to make the most of ongoing changes are also needed to promote good and sustainable outcomes.

Understanding the impacts of new forms of employment and how they empower or threaten workers and progress to a fair and just society is a key element of effective labour market monitoring. Lifelong learning is a basic component for guaranteeing smooth career evolution and a way to secure employment. Training needs to be a basic component for a knowledge-



based economy, and much is left to do in Europe if we are to make all workplaces more acquainted with workforce skills development strategies.

Chair of the Scientific Committee

Marco Ricceri

Secretary General, EURISPES

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LABOUR MARKET MONITORING

A series of questions framing the work of the Scientific
Committee of the EN RLMM

SCIENTIFIC COMMITTEE

c/o IWAK - Institute for Economics, Labour and Culture of
Goethe University, Frankfurt am Main
www.regionallabourmarketmonitoring.net

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Background

As part of our strategy-forming process we have identified 13 questions which are very topical and relevant to our work. These questions set out what we believe to be the real issues needing to be resolved in European and national policies and offer a great opportunity for the EN RLMM Network to make their informed contribution.

Localities and regions have become increasingly important in the European context for the competitiveness of business and labour. In this context functional regional and local labour markets and efficient regional labour market policies constitute a key competitiveness factor and are also important for the well-being of the labour force and wider population.

“The basic prerequisites for these are adequate information and in-depth knowledge by regional actors of the labour market. One instrument that generates and disseminates such information and knowledge is regional labour market monitoring” (Alfons Schmid, Christa Larsen, 2007).

Based on this premise, the Scientific Committee suggested, in 2010, in-depth consideration of 13 open questions that are of strategic importance for the functioning of labour markets and for their networking cooperation. The proposed issues were never intended to be exhaustive: but they are a useful reference point. They are:

1. What common, accepted concepts and definitions are there for “Regional and Local Labour Market Monitoring”? What theories underpin this? How are people using this?
2. What kind of “regional” and “local” dimension should there be in Labour Market Monitoring?
3. How can sound territorial intelligence be promoted and labour market information converted into labour market intelligence?
4. “Closed systems” and “open systems”: how to face the risk of entropy in regional and local labour markets?
5. Mobility: how can labour market monitoring enlarge the scope of its activities to contributing concretely to reducing the obstacles to labour mobility?
6. Social Inclusion: how to apply the EU "social clause" in the modernisation of labour markets?
7. Monitoring Targets Groups: how can academics and others take part in "social dialogue" for selecting new target groups? What new target groups should be analysed and monitored?
8. A scientific, cultural and “political” challenge is: how to, and how useful is it to, apply the capability approach in labour market information systems?



9. Monitoring has to deal with forecasting and foresight: how can this best be done in different circumstances?
10. What roles and functions should labour market observatories perform?
11. What indicators should be developed and used? How can Big Data applied and what are quality criteria?
12. How can standardisation in data collection be implemented?
13. How to build the interrelations between Information, Communication, Knowledge, Decisions and Action?

Each of these is discussed in detail below.

1. What common, accepted concepts and definitions are there for “Regional and Local Labour Market Monitoring”? What theories underpin this? How are people using this?

The term ‘European labour market’ is used to describe the demographic profile of the labour force as well as the systems of regulation, at EU level, concerned primarily with the free movement of workers but additionally with other forms of regulation that shape Europe’s labour market.

CEDEFOP state that labour market information describes the condition of the labour market, past and present, as well as future projections. It makes clear where work opportunities are increasing or decreasing, what occupations exist, what you need to study to become a professional in that occupation, what is required to take up an occupation, how one can find a job, change job or progress in a career.

In general usage, monitoring refers to a tool or process that can generate information, to produce it and communicate it to actors in the labour market. But, the term monitoring, as is the case for the term networking, while appearing to be a common expression used in a positive sense, has different meanings. This lack of a clear and precise common understanding has negative effects for two main reasons:

- Modern information technology can greatly facilitate monitoring, its adaptation to specific needs, and cost reduction. But the high degree of autonomy enjoyed by the sectoral operators results in the adoption of very different concepts and methods making it difficult to form connections and exchanges among different systems.



- The diversity of objectives and functions that operators attach to monitoring. The many uses include for advice and consultancy to people looking for work (e.g. young people who need to have advice on the direction of their future); careers guidance services; employers planning their workforce needs; and support to the practices of social partners and policy makers.

Currently in Europe there is not a commonly accepted single definition of labour market monitoring. To arrive at a shared definition of the term monitoring it is necessary to anchor it to basic theory. To this aim, some key points of reference can be found in the theory of the information economy, in relation to the imperfections that characterise the functioning of markets, including the labour market. These imperfections and markets failures – e.g., imperfect information, imperfect mobility, imperfect property rights, externalities, etc. – reduce the efficiency of regional labour markets and the effectiveness of regional labour policies. One consequence of these imperfections pertains to the allocation of the labour force, so that the labour market functions sub-optimally. “Information imperfections are pervasive in the economy” (Stiglitz, 2004).

These imperfections of the information system are translated into precise asymmetries between the different needs of the labour market players, with a loss of opportunities and overall increase of the costs for workers, enterprises, and the community. In this sense, labour market monitoring can be identified as a tool to intervene to reduce these imperfections and asymmetries. But to arrive at a shared definition of monitoring, it is necessary to know the context in which information is generated, the way it is encoded or how it is interpreted.

For ease of use we propose the following definition:

Labour market monitoring is the process of observing and investigating the variables that define and operate in the labour market, through a systematic and constant collection of information and data on its situation, in a given period of time, its performance and related trends. This includes reference to the many actors which impact upon it, such as working people, the unemployed, employers, trade unions, policymakers (at all levels), educational institutions and NGOs.

Essentially monitoring is an information and control activity of the external inputs that act on the labour market, of its internal dynamics, of any corrective and improvement interventions that the analysis can highlight when the monitoring is functionally connected and integrated with the evaluation activity. In this sense, monitoring, as the observation of one or more variable quantities for the purpose of information and control, assumes its full meaning to the extent that it is considered as an activity that



operates within a cycle of continuous interaction with the correlated, public and private, planning activities of interventions on labour market processes.

It needs to be recognised though that this is evolving and that members of the network prefer demand-oriented approaches. Where the starting point is the identification of the needs of labour market actors. After this there is an interactive process of interpreting the labour market situation based on data and experiences of stakeholders - followed by decision making on the most suitable measures. These will be evaluated after implementation. Monitoring is a cyclical process of improving knowledge to inform evidence-based decision making.

2. What kind of “regional” and “local” dimension should there be in Labour Market Monitoring?

If regional and local factors are of importance for the economy and for employment in highly competitive and international markets, we also have to recognise that there is no common accepted definition for the term “region” or “locality”. How regions and localities are demarcated depends on the issues being considered and the characteristics of regions. At least two ways of demarcating regions exist, one according to an *administrative definition* and one according to a *functional definition*. Administratively defined regions often reflect regional labour market policies. A functional definition based, for instance, on commuting patterns etc. corresponds more closely to the actual operation of regional labour markets. A spatial coincidence of both rarely exists.

The European Union created a Committee of the Regions to represent Regions of Europe as the layer of EU government administration directly below the nation-state level. The reasons given for this include:

- The historic and cultural claims for autonomy in many regions all over the EU
- Strengthening the political and economic situation in those regions
- European cohesion policy and solidarity among more or less economically developed regions

Some nation states which have historically had a strong centralized administration have transferred political power to the regions, such as the French Republic. Some other states have traditionally had strong regions, such as the Federal Republic of Germany or the autonomous communities of Spain; yet others have been structured on the basis of national and municipal government with little in between.



The concept of “region” shapes the functioning of labour markets and the effectiveness of regional labour market policy in different ways. The growing importance of regional factors corresponds to the possibly diminishing importance of national employment policy in many Member States. In particular, we should carefully consider the value of different approaches:

- a) The orientation of the European Union which, to facilitate development policies, more often links the term “region” to supra-national areas, such as the Euro-regions and the Macro-regions.
- b) The orientation of Member States, such as France, that consider it more useful to pass over the political or administrative regional dimension for the production of information on the labour markets and to organise different areas of reference, such as “employment zones”, “socio-economic environments”, etc.
- c) Pragmatic regions such as travel-to-work geographies and city-regions.

3. How can sound territorial intelligence be promoted and labour market information converted into labour market intelligence?

An efficient labour market requires a nuanced ability to read and assess both the social dynamics, and the dynamics of companies and the sectors they belong to. The production of differentiated information, as well as their integration into an organic interpretative system, is needed to understand an area (“intelligibilité du territoire”, in French) and to promote intelligent action able to identify the best strategies for increasing and increasing and securing employment.

With regard to the dynamics of social processes, the following observations of the OECD LEED Programme 2010 have value:

“Unemployment and exclusion from the labour market depend on educational attainment, work experience and skills level, health and mobility, but also access to housing, financial inclusion and availability of financial assets and many other factors ... Key issues include the way in which such factors interact, the consequences of that interaction on the individual and groups, as well as inter-generationally. Unemployment and exclusion from the labour market “should be considered more a process than a state ... by its very nature, difficult to reverse”.

With regard to the enterprises dynamics, it is essential to have an ability to correctly interpret the processes of economic development of a territory, on the basis of differentiated information relating to corporate guidelines, the state of the productive sectors they belong



to and their size, as well as having an ability to interpret the effects of the interactions among economic development, labour market, education and training systems.

This requires, therefore, the identification of conditions that may allow an observatory and its monitoring activities to promote improved territorial intelligence and so to support employment policies and action.

4. “Closed systems” and “open systems”: how to face the risk of entropy in regional and local labour markets?

The European scenario presents a great variety of experiences and solutions in organisational structures as well as in the functioning of Regional Labour Markets. There is a need to effectively meet the needs of local communities –often led by the decentralisation of public services and/or through enhanced decision-making autonomy of the regions – through the organisation of systems, which are very different from each other, in terms of theoretical approaches, working methods, organisational and governance solutions. The need for interconnection and collaboration between systems has long been recognised by the European bodies, which have implemented the open method of coordination and comparison of best practices to remedy the negative aspects of this situation and to promote the organisation of a more unitary system.

Regarding the specific activities of monitoring, in general, all systems present common elements, as well as elements of great diversity, associated with their adaptation to local circumstances and realities. Elements in common are, for instance, those that relate to general development goals such as an overall increase in employment levels, qualifications and job mobility, and efficiency in the alignment between the supply and demand of labour. But if we look at the specific ways in which these goals are pursued, clear evidence emerges that any national, regional or local system has its own specific characteristics, which may make it very efficient and successful in its area but may also inhibit interconnections with other systems.

This contrasts with the general need for collaboration among the services at a European level, where there may be similar demands from operators in the sector across Europe who see the opportunities of strengthening external links.

In this situation, an explanation is required in two directions:

Common elements: what are the common elements that exist at present in the different systems of Regional Labour Market Monitoring? How can the area of the common elements be expanded, especially from the perspective of stronger European integration? What are the



thematic areas that are strategically most important in building a common platform of reference?

Risk of entropy: the more the systems are closed in their own area, the more they run the risk of entropy, of losing power, and being unable to seize opportunities when they arise. An example of the negative effects of this situation concerns the way in which different systems have determined and recorded so-called “atypical work”, which involves various categories of workers, especially young people. The result of this fragmentation brought about by “closed systems”, which do not communicate effectively between themselves, indirectly contributed in recent times to the spread of, or slowness in response to, the serious phenomenon of job precariousness, arising from restructuring processes, and, more broadly, to the so called precarisation of European society. How to assess, measure and address this risk of entropy, with its potentially large negative effects on regional and local labour systems and on the European labour market is an important question. How to turn “closed systems” into “open systems”?

5. Mobility: how can labour market monitoring enlarge the scope of its activities to contributing concretely to reducing the obstacles to labour mobility?

In Europe, despite the presence of many employment services - European, national, regional and local - the mobility of workers is still relatively low. Yet the mobility of workers: is still considered “*a condition sine qua non for Europe to be economically successful*”; is also *important to absorb asymmetric shocks and to allow adaptation to local processes of restructuring*”; and therefore is “*necessary to improve the efficiency of labour markets as well as to ensure the smooth functioning of monetary union*” (Monti Report to the president of Commission Barroso, 2010).)

An important contribution can be provided by monitoring activity aimed at analysing and assessing the wide range of complex and varying causes, which hinder the labour mobility in Europe, for instance, the mutual recognition and the content of professional skills, the structure of the housing market as well as of the social security (*i.e.*, the portability for pension rights, rights to health insurance, etc.).

With regard to this, the following question arises: how can the monitoring activities of the labour market grow in line with the new social orientations of the EU, and broaden their field of investigation to the organisation itself of social reality, where the main obstacles to work mobility can be found?



6. Social Inclusion: how to apply the EU "social clause" in the modernisation of labour markets?

With the goals set by the Treaty of Lisbon (*to build a highly competitive social market economy aiming at full employment and social progress*) and the development policy EU 2020 (*smart, sustainable and inclusive growth*), social inclusion is raised to crucial strategic importance in the overall action of the EU. Consequently, all measures to modernise labour markets, including measures regarding the effectiveness of monitoring activities, must be guided by the need for active inclusion, which is necessary to regain competitiveness, fight unemployment and poverty. Recently the EU adopted the European Pillar of Social Rights and its 20 principles which are the beacon guiding us towards a strong social Europe that is fair, inclusive and full of opportunity.

How should the so-called "social clause" be applied to the initiatives in the labour markets and what will be the effects of this - is a very complex issue because *the promotion of inclusive job markets* greatly expands their traditional functions. It raises the problem of identifying and developing new social functions that are additional to those normally carried out and, at the same time, to identifying the most appropriate methodological approach to understand the multidimensional aspects of the inclusion processes. For reference here we take the example of France where 2018 vocational training reform linked with job insertion policies and social support policies for target groups (typically the unemployed those farthest from work). New upskilling/reskilling policy need to be supported by actions aimed to solve basic social issues. Interventions also need to have a high level of institutional coordination and often need to be carried out at the local level.

The application of the "social clause" requires the establishment of indicators and evaluation elements shared by the operators, especially those involved in local and regional labour markets, to avoid the risk of even further fragmentation in Europe.

7. Monitoring Targets Groups: how can academics and others take part in "social dialogue" for selecting new target groups? What new target groups should be analysed and monitored?

The analysis and studies conducted to date by the European Network on Regional Labour Markets Monitoring, with reference to social inclusion and employment of particular target groups such young people and migrants, have highlighted the importance of a fundamental



element: the transparency of the dynamics of labour markets. It is an element that occurs as a prerequisite to allow both the best definition of the objectives to be achieved and a high level of effectiveness of the related interventions.

With the instruments of regional labour market monitoring, a high degree of transparency can be continuously maintained. Therefore, there is an interest in utilising such specific tools. It should be determined, what date, which analytical techniques, which communication media, which evaluation instruments and what social network forms should be applied within the regional labour market to systematically combat the unemployment of, and improve employment opportunities for, specific target groups. Monitoring activities have to be adapted to the very different geographical, social, political and regulatory conditions of regional and local labour markets; as well as being adapted to the target groups that are object of the particular attention, such as in the EU2020 strategy: young people leaving compulsory school before finishing the programme of study; precarious groups (temporary and atypical workers); men with age 55-64; women; older people, people with no Internet ability; people defined as poor and at risk of poverty; and those with disabilities. However, we are not recommending a deliberate segmentation of target groups. There is plenty of evidence to suggest that what makes the difference it is not artificial segmentation of target groups (offering them different set of support service) but to implement individualised support in order to deal with specific problems of every individual. A deep collaboration between academic and social partners will also be very useful in tackling this.

Therefore, the questions are: how can academic take part to social dialogue for selecting new target groups? What new target groups to select? How to adapt monitoring to the target groups indicated by the EU2020 strategy, European Pillar of Social Rights (2017), the European Green Deal (2019) and other EU documents?

8. A scientific, cultural and “political” challenge is: how to, and how useful is it to, apply the ‘capability approach’ in labour market information systems?

The capabilities approach has been widely used in considering human development, for instance through the United Nation’s Human Development Index. It was developed initially by Amartya Sen and may potentially provide a prism for considering some additional aspects of collecting labour market information on specific target groups, such as young people employment and unemployment. A young person looking for work may lack: resources, and/or the knowledge to use these, and/or have appropriate support services available,



and/or the ability or motivation to act. Any of these may result in a lack of capability or the ability for them to make appropriate choices.

For these reasons it becomes important to consider the possibilities for a young person to access those resources, to clarify their real motivations, aspirations, etc. A capabilities approach would require a different informational basis (and different targets by which to judge success), implying more basic information (and job entry or skills attainment targets for policies) and better measures related to more long-term, holistic measures of progression in work and learning, well-being and satisfaction. Hence there needs also to be greater involvement of individual and local actors, such as labour and social services, education services and also the family communities, in formulating labour market information needs. All of this has become particularly urgent and important in the phase of profound restructuring of the European economic and productive system which was opened with the launch of the green and digital transition processes for the achievement of the sustainable development goals.

The consideration of the capabilities approach and other similar approaches aimed at valorising individual empowerment, can potentially add value to discussions of local labour market information by posing questions that are not fully addressed by more general employment debates.

The growing importance of upskilling and reskilling caused by the many labour market transformation processes also merits inclusion here.

9. Monitoring has to deal with forecasting and foresight: how can this best be done in different circumstances?

Forecasting future labour market situations may be considered as a natural element of labour market monitoring. Commonly, labour market monitoring systems do not contain explicit forecasts. Rather, they contain current and historic information on key labour market variables. These are, however, used to evaluate the current situation and to anticipate future labour market situations. Users of historic data make implicit forecasts of the labour market variables by looking at trends. More complex labour market forecasts are in a sense an extension of these implicit forecasts, yielding more consistent and efficient results given all the information available. How must the relationship be built between the recording of the past, the present, and the predictions for the future?



Prospective approaches are not just those based on extrapolations of statistical trends. There are also more qualitative methodologies based for instance on interviews or working groups with stakeholders of a given economic sector or specific trade about tomorrow professions, competences, training needs, disruptive events, etc.

Which organisations are active in this field, how do they operate and how can they be supported?

10. What roles and functions should labour market observatories perform?

The work proposals contained in the earlier points (to link the stage of monitoring to the stage of the final decisions, and to promote the spread of forecasting) lead to a reflection on the value of a third proposal: the effective role that should be played by labour market observatories in relation to employment policies. Should this be an active or a passive role? More precisely: should observatories be limited to act as structures that record the processes of the past and their trends, or should they be actively involved in the planning of future developments? Should their information and assessment system operate only *ex post*, on processes that have taken place, or should they also operate *ex ante*, for processes to be activated?

With reference to their overall objectives, monitoring activities could then be classified into two main groups: *assessment monitoring* and *planning monitoring*. With this distinction, then, the possibility of developing two different types of indicators is also proposed: *descriptive indicators* of a process and *planning indicators* of a process. An in-depth reflection and a clear choice about these options requires consideration of the importance given to maximizing the contribution that the observatories can make to the success of employment policies, playing an active role in the planning stage of policies and providing the knowledge elements needed for their continuous adjustment.

Monitoring what LMO are doing can help us to identify what data they constantly collect and based on this we could make forecast or even develop a European Index related to Labour Markets (e.g., as has been proposed for regional labour mobility). In this respect, we can consider that planning is a key point of the meeting among the scientific community, technical operators and the world of politics.

However, with a demand lead approach there is no distinction between assessment and planning possible. These integrated steps on current monitoring approaches. The integration



solves also the question on how to convince policy makers to rely on data and perform evidence-based decision making.

11. What indicators should be developed and used? How can Big Data applied and what are quality criteria?

A prerequisite to promote connection and collaboration among regional labour markets is in a shared decision making regarding both: the adoption of common methodological approach to monitoring; and the working out and selection of indicators necessary to measure and assess the changing processes. Indicators can be treated either in a simple descriptive way (univariate or bivariate analysis) or in more analytic way (typologies, statistical portraits of regions, etc.).

In any case, it is clear that the selection of indicators should have a consistent structure; therefore, indicators need to allow valid international comparisons, in particular to clearly understand what the cognitive elements on which the decisions and the political programmes are made, as well as to assess what is their impact on actors, social groups and territories. In this regard, it should be noted that such commitment to building common indicators for the labour market is also consistent with the new orientations of the EU development policies.

The EU is increasingly oriented towards strengthening the coordination of social and labour policies with the addition of precise signposts, the "European signals", which are meant to guide public and private operators. These "signals", when accompanied by indicators and accurate measurement of performance, may become important tools for evaluating the effectiveness of national and regional policies as well as the capacity of services to meet the needs of businesses, workers and wider society.

One further question relates to who is regional labour market information for? It should be for all stakeholders – employers, workers, policy makers and the wider society. It is important that it is appropriately presented and explained for each of the groups, so that the information and intelligence meets their needs, be they a parent seeking to guide their child or a technical expert.

The range of indicators can be considerably extended since Big Data is available.

12. How can standardisation in data collection be implemented?

Standardisation of labour market monitoring can improve policy and may involve standardised definitions and processes such as how the information is collected, analysed and distributed.



However, each organisation or partnership may have different aims, target groups, purposes for gathering or using the information and information requirements.

This leads to a fundamental dilemma of how to monitor labour market information in a way that meets the diverse needs of disparate users such as: individuals; regional or local organisations and projects; a variety of funders (from European to local level); and larger scale national or supra-national bodies. Each group often has its own requirements in terms of the time, space, content and purpose of the information required and different levels of resources and expertise. Can information requirements for effective labour market monitoring be standardised to meet the needs, abilities, and resources of such disparate gatherers and users of the information? In addition, how can information be developed into labour market intelligence whereby it provides the appropriate information that can be effectively utilised and analysed by its users? In particular: what are the “core questions”, for instance, about individuals’ employability and employers’ skills needs and recruitment practices that can be submitted to a standardisation process?

There is a great need for standardisation between regions and between countries. However, with the large numbers of organisations dealing with labour market monitoring (in term of policy development, implementation and funding) and of partnerships between organisations, it is difficult to get standardisation of definitions and processes. In any case, some degree of standardisation is needed if we are to compare circumstances and progress and effectively learn from experience elsewhere; and this standardisation may deal with theory, methods, data generating and processing, as well the spread of information.

13. How to build the interrelations between Information, Communication, Knowledge, Decisions and Action?

Even if adequate information existed, it would not be certain that this information would lead to the required knowledge and understanding and to more rational decisions. The reason lies in human beings’ limited ability to absorb all the information provided in an optimal fashion. A learning process is needed to transform information to knowledge and intelligence. This transformation occurs through communication as a part of a learning process. Further, even if actors have the appropriate knowledge, it does not necessary lead to the “right” decisions and actions.

Monitoring, therefore, implies the need to clarify the system of relationships between those providing the information (the provider) and the information user. But, more importantly, how is it organised and operated in terms of the interaction between different types of



intervention which deal with the specific case of the labour market: ranging from the production of information and communication to their transformation into knowledge and to the final decision. Hence, information and communication are main elements of monitoring; but their real significance emerges only if they are related and useful in supporting decisions and actions based on adequate information and knowledge. In this interpretation, therefore, *monitoring should include decisions and actions as well as information and knowledge.*

What degree of consensus exists on this way of assessing the scope of action and the function of monitoring? How is such interpretation of monitoring used in practice in the regional labour markets? How is it translated in terms of efficiency with regard to markets and effectiveness in labour policies? How, in practice, are monitoring activities involved in planning initiatives and the implementation of employment policies? How can new tools be used to gain better policy traction.

EN RLMM January 2023

2023/2024

FROHE FESTTAGE
UND EIN SCHÖNES NEUES JAHR!

SEASON'S GREETINGS AND
ALL THE BEST FOR THE NEW YEAR!

An eventful and intense year is coming to an end. We are grateful that this year we were able to interest many of you in important topics through lectures, workshops and various virtual formats and to inspire you to exchange ideas and network. We were particularly pleased that more regions than ever before were dealing with their own strategy development processes and that we were able to support them with our know-how. We were impressed by the great desire to create that we were able to experience in many of you and also by the many small and large excellent innovations in your organizations.

We were touched by the openness and trust that so many of you have shown us again. We experience the many personal encounters and conversations with you as a great enrichment of our work. We would like to thank you very much and look forward to the new year 2024.

As the coordinators of the European Network on Regional Labour Market Monitoring, we wish you enjoyable holidays, a relaxed end to the year and a healthy New Year 2024!



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