# Jobtown newsletter

August 2013 - Number 1







# What is JOBTOWN?



JOBTOWN is a European Network of Local Partnerships for the Advancement of Youth Employment and Opportunity, drawn from 11 localities across Europe.

The problem of youth unemployment concerns society as a whole; it has social, economic and political repercussions and needs to be treated as a structural problem. Our network is about finding what local administrations can most usefully do in support of youth employment and opportunity, and helping them to do it.

JobTown brings together public administrations and local economic and social partners, to create employment and opportunity for young people.

#### **CONTENTS**

1) Developing effective models of cooperation

2) Making education and vocational education and training responsive to the needs of the local labour market

Within the general theme of youth employment and opportunity, JobTown focuses on:

- 3) Matching employment and demand by improving analysis and forecast of labour market evolution and needs
- 4) Entrepreneurship Support for business creation and development, selfemployment
- 5) Social economy and resource management: Innovation and how to do more for less?

In keeping with the URBACT approach, each JobTown locality has established a *Local Support Group*, as a basis for developing sustainable Local Partnerships for the advancement of Youth Employment and Opportunities.

Each Local Support Group is designing a Local Action Plan outlining their strategy for addressing the different sub-themes of the project in their local areas. This plan will be co-produced among the members of the LSG as well as the relevant Managing Authorities of the European Structural Funds, which play a key role in supporting the implementation of such plans.

The 11 localities of JOBTOWN are: Cesena (Italy), London borough of Enfield and Thurrock (UK), University of Kaiserslautern (Germany), Rennes Métropole (France), Aveiro and Gondomar (Portugal), Aviles (Spain), Kielce (Poland), Nagykálló (Hungary) and Latsia (Cyprus).

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# **JOBTOWN** workshop 1

JOBTOWN network held its **first Transnational Workshop in Avilés** (Spain) in June 2013 – dedicated to the question of how to build effective local partnerships for employment and economic development.

The **OECD's Local Economic and Employment Development** (LEED) programme supported the workshop, sending a representative (Ms Lucy Pyne) to participate in its activities and to present LEED's findings and practices in support of the JobTown partners' efforts to build their own local initiatives.

The workshop enjoyed the direct participation of the city's Mayor and brought more than 50 representatives from the 11 European localities of the JobTown network, and a similar number of local Avilés actors, decision makers and stakeholders.

#### Contents:

- The LEED checklist and principles for evaluating partnerships
- Where partnerships typically go wrong (e.g. through excessive domination of the partnership by a public authority).
- Different ways of structuring partnership and the pro's and con's of these different approaches.
- Practical examples from among the partners e.g. approaches to pacting strategic direction among key local actors, cooperation with neighbouring administrations, norms of participation and compliance, and creating clear Roadmaps.
- How to involve young people themselves meaningfully, avoiding tokenism in the design and implementation of policies and services of concern to them.
- Identifying synergies among partners and thus where potential lies for exchange and cooperation.

A JobTown toolkit and publication on effective approaches to local partnership will soon be made public and freely downloadable at: <u>http://urbact.eu/en/projects/active-inclusion/jobtown/our-outputs/</u>

### **JOBTOWN PARTNER NEWS**

Avilés (Spain) has agreed Avilés Acuerda, a pact among the local authorities, employers association and unions, establishing consensus among these actors on the strategic direction of the city.

The new Pact focuses on reinforcing social cohesion through employment – with particular attention given to youth and cooperation with the regional Asturian government. For more information contact: <u>vmfernandez@ayto-aviles.es</u>

**Gondomar** (Portugal) has launched a new programme of workshops on entrepreneurship, aimed at the young unemployed. For more information contact: alcidio@if-gondomar.pt **Enfield** (UK) is the first London borough to sign a Partnership Agreement with the UK Government's Department for Work and Pensions to tackle unemployment through locally agreed measures.

The Prince's Trust, a major UK youth charity, will contribute to Enfield's local JobTown partnership. For more information contact:

Anna.Loughlin@enfield.gov.uk



# **UPCOMING JOBTOWN EVENTS**

**Towards European Competiveness and Opportunity** - Making education and training more responsive to the needs of the labour marke.

A seminar in support of JobTown, organised by the Emilia-Romagna region's Brussels representation and the ProjectWorks Association (note: Cesena, the Lead Partner is a city in the Emilia-Romagna region, and the Lead Expert is director of ProjectWorks).

**Date**: 19 September 2013 **Location**: the Emilia-Romagna Region EU representation - 21, Rue Montoyer, Brussels, 1000.

For more information contact: iangoldring@gmail.com JobTown **Transnational Partners Workshop 2**, on how to make Education and Vocational Education and Training responsive to the needs of the local labour market.

Date: 16-17 October 2013 Location: Kaiserslautern, Germany

## **JOBTOWN EU NEWS**

Gathered by JOBTOWN Lead Expert

#### EIB supports SMEs for youth

Coinciding with the Summit, the European Investment Bank announced it will provide complementary support via the "Skills and Jobs – Investing in Youth" initiative, meant to support SMEs in financing investment in training, job-related skills and on-the-job-training.

The details are still emerging

#### Angela Merkel endorses JobTown (sort of)

Ms Merkel "said her experience had taught her how important it was to have experienced advisers on hand helping young people on a **local level** (our emphasis) 'that can't be done centrally by Madrid or Berlin.""

- As reported in 'The Guardian' July 2nd 2013

#### June 27-28 EU summit addresses youth employment

The summit was programmed to communicate a clear stance against youth unemployment; however, while welcome, it must be understood that the potential for immediate direct impact of the measures put forward is limited.

i) Originally to be spent by 2020, the €6bn for the fight against youth unemployment – via the 'Youth Employment Initiative', a strand of EU structural funding in support of, among other things, Youth Guarantee schemes – is now to be paid out 2014-2016, with a view to having a stronger and more immediate effect.

EU regions with youth unemployment rates over 25% are to receive disbursements first.

While the sum is relatively small in terms of the macro-economic and demographic dimension of the problem, and what impact there is will not be immediate (i.e. not until roughly the last quarter of 2014), it is important news for people specifically working on accessing EU funds for youth employment initiatives – as more of such money will be coming out sooner.

ii) The same summit was used to pledge to strengthen the Erasmus and Eures programmes.

iii) Finally, member states agreed to launch the European Alliance for Apprenticeships in July 2013, and the Quality Framework for Traineeships by early 2014 – to link up better the private sector, social partners and businesses, towards quality apprentice and traineeships.



### "A local administration can make a difference"

The following is the first in our series of JobTown interviews - with Pilar Varela, Mayor of Avilés

Pilar Varela, Mayor of Avilés (a Jobtown partner), has given the project a lot of personal attention and support, attending personally and participating actively in our recent June 2013 Transnational Workshop in the city. She has accorded us an interview in wich she explained how the employment has changed in Avilés during the years, which strategies have been adopted in tackling youth unemployment, why a local administration could play a key role in promoting job opportunities and what are her expectations from Jobtown and URBACT methodology, strongly based on networks and partnerships. Here below the interview



Avilés (pop. aprox. 90000), is a northern Spanish city that had traditionally been heavily industrialised and has now transitioned to a larger emphasis on the service sector and diversification, while maintaining a significant level of value added industry.

8400 of its citizens are unemployed, about double the number in 2007. Being somewhat less exposed to the construction boom and bust, Avilés' unemployment rates hover consistently around 4 or 5% below the national averages; Spanish unemployment is now at 27%, and 56% for 18-25s.

Avilés is one of JobTown's partners and the city's mayor – **Pilar Varela** – has given the project a lot of personal attention and support, attending personally and participating actively in our recent June 2013 Transnational Workshop in the city. She has accorded us this interview:

#### How has employment changed in Avilés?

In the 1970s if you asked a young person here what he/she wanted or expected to do – they would have likely said they expected to work in some large industrial firm or perhaps work for the government. All that has **changed irrevocably**.

We're moving from a few very big companies dominating the labour market, to lots of small companies and start-ups – typically involving 1-4 people.

This is a large shift, and a shift in mentality comes along it; people are more and more having to see how they themselves have to be **part of their own solution**.

What's more, the big corporations and industries are the most vulnerable to **de-localisation**; they are all part of multinational structures now and decisions about them are taken far away, that you have little or no control over – in New York, Geneva etc.

And when such decisions are taken the consequences can come fast.

For our future, we have to think a lot more about activities that are solidly **linked to our territory**. If companies are more connected to a territory, if the owners are from here, they feel differently; they are bound to the place in a way someone taking decisions somewhere far away simply isn't.

You see this in the attitudes of both local businesspeople and our trade unionists.

#### What role does entrepreneurship play in tackling youth unemployment?

Nowadays, people can't only think in terms of 'someone employing me, giving me work'.

Young people today need to consider the option of creating their own job; of course they won't all become independent business people, but more and more of them will be turning to this option.

For years we've been working to promote entrepreneurial culture; it has to start in **primary education**. Learning about risk taking, personal initiative, teamwork, how to evaluate and take decisions... things like that.

We find as this is introduced in schooling around **15%** of students at the secondary level express a motivation to pursue an entrepreneurial path.

And there is **plenty of demand** for training in entrepreneurship.

If a business fails, we have to allow people to pick themselves up and carry on. Spanish society isn't like in North America, where it looks good on your CV to have changed careers or gone through a business start up that closed down – that's considered **valuable experience**.

Here if a business fails, society adds to the sense of failure in how it judges the person and makes that person feel.

This has to change, and I believe we are seeing change. It's slow because you are talking about changing culture, but it's happening.



# How can a local administration make business and self-employment easier? Or to support youth employment?

Helping you solve all the problems that have nothing to do with your actual business. Help you find suitable business premises, cut through the paperwork, etc. We provide training and advisory for entrepreneurs, resolve red tape, provide investment capital (e.g. € 3000 business start up grant to approved small business proposals).

A local administration can make a difference; start-ups receiving the kind of support we can provide, have a significantly lower failure rate. The companies that have gone through our business incubator – La Curtidora – have a survival rate after 3 years of 77%. After 5 years it's 68.6%.

That's good. Normally failure rates of business start-ups are significantly higher than that.

It's would be **wrong** to just say well the crisis and economic forces are what they are and there's nothing much we can do.

To have an impact the administration has to make effective use of its resources and its networks.

On another front, we've collaborated with the national and regional governments, to bring **energy** providers and large consumers together to negotiate better deals, thus allowing our local companies to stay competitive. Without efforts like these job losses would have been a lot worse.

In terms of supporting employment, our services have to be thinking in terms of **specific people** – i.e. very individualised support and follow up, with a stable contact person. Moreover, it has to be holistic; **people rarely have just an employment problem**, it's likely to go hand in hand a whole set of related issues – housing and so forth.

We have done a lot to join up our services, and thus our thinking and approaches.

However, we are not going to be able to find a job for everyone. We are going to have to live through a time of significant unemployment – this has to be faced. We need to help people stay active and not slip into defeatism. Public administration has to do what it can to **palliate the damage** of unemployment.

#### What do you want from JobTown?

We want to learn, along with other European cities, how to build and use **networks**, which are effective in enabling more young people to find their place on the labour market.

What role does partnership - the cornerstone of URBACT methodology - play in all this?

The administration has to work with the key economic and social actors in its territory, come to shared agreements with them and work on that basis.

Just this month the municipality signed a new Pact – Avilés Acuerda – with the local employers association and the main trade unions active in the area, to set out a strategic vision for the city.

We work with the region in a programme we co-fund, to support young people in getting their first job.

Companies receiving contracts from the Municipality are required to follow practices that are pro youth employment.

How would your characterise your approach to partnership here in Avilés?

I believe as a government we have to make public resources as effective as possible, and to do so we have to work in **partnership** with economic and social actors – we are moving to more and more of that kind of approach.

The municipality is the local actor best placed to **join up** the different partnerships and participatory processes going on in the locality, to ensure coherence and communication among them.

To work this way, we have to be coherent, patient and build **trust** – you have to go into it without prejudices and establish trust, without it things won't happen.

Apprenticeships and the Dual Educational system have become hot topics in Europe; what's the perspective in Avilés?

The local administration can **facilitate linkages** between training and education providers and companies – because we have the local knowledge you need for that. We have an intermediary role.

In the past we had a very developed apprenticeship system, and it all got dismantled in the 1980s.

We can't just go back to the past though, now **we look a lot to Germany** to learn about good Dual Education. It's still early days though, so it's difficult to form any conclusions on the matter yet.

Over the next two years the picture will become a lot clearer, as reform initiatives now underway get rolled out.



Though I would say that what we've experienced in on-the-job learning so far has been positive – for employees and employers.

As we look at adopting Good Practice in apprenticeships and dual education, a lot of the current rigidities that exist in business practice and in the unions will have to change. Education and training providers are going to have to be **flexible** too, and adapt to a changing reality for them too; education and training have to react **faster** to what's going on in the labour market.

The relation between employment and education and training has to be a lot **closer, and permanent**.

A local government can do a lot to foment those kinds of relations. We're using our Participation in **JobTown** as a tool to help make that happen.

#### Are there perception issues?

An important **societal change** we are seeing now, is how we are looking again at vocational education and placing more value on it. For many years, vocational education had a real **lack of prestige** – it was seen as something for people who couldn't do better, a second-class option.

Now this is changing; lots of young university graduates are looking at doing some kind of vocational training – it's a new strategy you see merging.

Generally we have a lot of university graduates and a lack of people qualifying in more technical fields.

How can the target group – young people – be meaningfully involved decisions on the policies and programmes that concern them?

More needs to be done to hear from young people themselves; it's one of the things we want to work on in **JobTown**.

We find it can be effective to have youth 'antennas' – i.e. young people who go out to communicate information to other young people, and also to gather information on the views, concerns and situations of young people.

They make plenty of **sensible** suggestions – for example, that there should be training on how to do a job interview and how to present your CV effectively in the interview process. That's a good practical idea. What impact is youth emigration having on Avilés?

A lot of well-educated young people are emigrating – it's a loss for us, but they are going to grow and learn from the experience. I believe a lot of them will come back, all the better for the experience – speaking other languages well, with good work experience etc.

Emigration now is nothing like it was in the 1960s – back then a lot of them were semi-literate and did low level jobs. **Now they're engineers** and the like.

Here in Asturias, we have an example from the past – the 'Indianos', people in the 19<sup>th</sup> century who went to the Americas to make their fortune and come back. Those people built a lot of our schools and cultural institutions here, and brought back a lot of knowledge with them. These young people now might be our **new** 'Indianos'.

Interview conducted by Ian Goldring, JobTown Lead Expert

#### For more JobTown information:

Visit our website: http://urbact.eu/en/projects/active-inclusion/jobtown/homepage/

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