



**Local Scenarios of Demographic Change: Policies and Strategies for Sustainable Development, Skills and Employment**

**Summary of the Limburg Region Seminar, November 8-9, 2012**

**Maastricht, December 7, 2012**

## **Acknowledgements**

This summary note has been prepared by Andries de Grip (Research Centre for Education and the Labour Market, Maastricht University) and Inge Monteyne (Zeeland Regional Province). Aldert de Vries, Roxana Chandali (Ministry of the Interior and Kingdom Relations) and Silas Olsson (Health Access) and Karin Jacobs, Hans Mooren (Benelux Union) revised the note and provide useful comments for its final format. The note has been edited by Cristina Martinez-Fernandez (OECD LEED Programme), Tamara Weyman (OECD project consultant) and Melissa Telford (OECD consultant editor). Our gratitude to the workshop participants for their inputs and suggestions during the focus groups.

## List of Contents

Introduction.....	4
Pre-workshop discussion and study visit.....	4
Limburg Workshop .....	5
Focus group 1. Opportunities within the cross-border labour market: responses on the basis of policy and 'regional expertise' .....	6
Focus group 2. The challenges of demographic transitions on the labour market: increasing unemployment versus future shortages. ....	8
Focus group 3. Developing knowledge and skills for the regional labour market. ....	10
Focus group 4. New sources of economic growth. ....	13
Concluding remarks.....	15
Annex 1 Limburg Workshop Agenda .....	16

## Introduction

As part of the OECD's Local Economic and Employment Development (LEED) project, '*Local scenarios of Demographic Change*', an international delegation of experts visited the Dutch province of Limburg. On 8<sup>th</sup> November, the delegation participated in a pre-workshop at Maastricht University and a field trip to three areas undertaking innovative practices in the province. This was followed the next day by a workshop at which more than seventy regional experts discussed the impact of demographic changes on the present and future development of the province of Limburg.

The programme was jointly organised by the province of Limburg and the Research Centre for Education and the Labour Market (ROA) in collaboration with the OECD LEED program and the Dutch Ministry of the Interior and Kingdom relations.

## Pre-workshop discussion and study visit

The pre-workshop started with an introduction of two of Maastricht University's major characteristics:

- internationalisation of students and staff;
- a focus on innovative, problem-based learning.

To introduce the OECD experts to the specific situation and development problems experienced in the province of Limburg, Professor De Grip presented the major findings outlined in the background note on Limburg. This presentation was followed by a discussion with the international expert group. The following issues were discussed:

- Demographic change and characteristics of the region;
- Economic development and innovation;
- The regional labour market;
- Lifelong learning;
- Regional policies and initiatives.

The pre-workshop was followed by a field trip at which the international experts visited three innovative practices in the southern part of Limburg, which is the sub-region that suffers most from population shrinkage. First, the OECD experts visited *Chemelot*, which is building an innovative chemical community that includes an industrial park, as well as a campus developed in co-operation with Maastricht University and other institutes for higher education, including the German RWTH Aachen University. Currently, there are more than 100 companies on the site, of which 70 have been situated on the site since 2005. Many of these firms are global leaders in their product market combination and currently employ 6 000 people. At the Chemelot site, the delegation also visited the Chemelot Innovation and Learning Laboratories (CHILL), which offers an "open laboratory" where students as well as start-up firms that lack specific equipment have opportunities to do research, as well as linking up with other companies at the campus.

The OECD delegation next visited *Carbon 6*, located in the former offices of Statistics Netherlands (CBS), which recently moved to a new building in the city of Heerlen. Carbon 6 is a recent project of the *World of Walas*, a company that develops highly innovative urban development projects. Carbon 6 is intended to cluster start-up firms together in the building, offering them real estate without requiring any rent in the first few years, as well as organising events and providing a craft market area that attracts the public to the building. Recently, a company focusing on urban farming started in the building, as did a coal mining museum.

The third visit of the delegation was to the *Lückerheide Clinic* in Kerkrade. Lückerheide, which belongs to the Meander group, is a large, residential long-term care centre for persons with dementia and related mental disorders. The clinic recently introduced an innovative system of cameras and movement detectors in the rooms with dementia clients. This equipment enabled the clinic to reorganise the night-shift so that it is more amenable for the staff. In addition, less staff are required, which helps resolve problems arising from shortages in the labour market due partly to the shrinking population in this region, and which also saves on costs. Moreover, service quality improved in that there were less injuries to clients from falling out of their beds.

## **Limburg Workshop**

More than seventy regional experts, representing different social and professional groups, as well as the OECD experts, participated in the workshop looking into the impact of demographic changes on the present and future potential developments of the province of Limburg. The plenary session was opened by the regional Minister for Labour Markets and Education, Mr Bert Kersten, who discussed the challenges and opportunities the province faces in relation to the decline and ageing of the population. In contrast to other declining areas in the Netherlands, southern Limburg (the sub-region in which the population decline will be most severe) has a high population density and can actually be qualified as a non-urban region instead of a rural region. Furthermore, Limburg might profit from having a renowned university in the vicinity (Maastricht University), which includes a focus on new technologies in life sciences. Resulting technologies could provide an important impetus to the regional economy. Also, the Chemelot Campus, which is engaged in developing innovative products, has the potential to contribute to the economy of the province. Furthermore, the location of the province of Limburg offers opportunities for co-operation with the neighbouring countries of Belgium and Germany, although several bureaucratic rules and arrangements prevent a more intense collaboration. In this respect, the national government could work to erase such barriers as much as possible.

Dr Cristina Martinez-Fernandez then presented an overview of the OECD/CFE/LEED project, followed by Professor Andries de Grip, who presented the highlights of the background note on demographic change in Limburg.

The plenary session was followed by four thematic parallel focus group sessions.

***Focus group 1. Opportunities within the cross-border labour market: responses on the basis of policy and 'regional expertise'.***

**Chairperson:** [Mr Ger Essers](#), Expert on Cross-border Labour, Policy Assistant, European Parliament Member

The removal of border-based barriers is very important for the development of Limburg, as this will lead to better career prospects because more jobs of comparable types and pay will be available. This in turn gives rise to greater flexibility and mobility within the labour market. However, it is important to have a realistic view of the so-called open interior borders of the European Union (EU). Firstly, language boundaries often obstruct mobility and integration within the Euregional labour market. In addition to speaking English, it is necessary to speak and preferably master the language of the neighbouring region at a sufficiently high level for work. Also, differences between national social and tax systems reduce transnational mobility even further. Services aimed at providing labour-market information are becoming more and more digitalised (eg. the Eures website<sup>1</sup> and the Benelux portal). In practice, however, the importance of face-to-face assistance for those looking for work in another country or who are working there already cannot be underestimated. There is also interpretation needed of different systems, for instance, the German and Dutch systems require tailoring on a case-by-case basis. Good quality and direct information provision thus remain necessary. Examples of effective collaboration at the regional level include the development of border information points or provision of an expatriate centre. Furthermore, the formal recognition of qualifications from neighbouring countries is extremely important. Although the formal legal recognition of diplomas is regulated, social recognition is still insufficient. In particular, problems exist in certain areas of vocational training (refer EU list of professions). There are less problems for higher education, but the real problems in this area relate to administrative cross-border recognition, which is similar to the situation in Zeeland. This issue is being further considered by the Benelux<sup>2</sup> Union and EURES<sup>3</sup>. Finally, there are severe bottlenecks in cross-border public transport, which hinder cross-border labour mobility.

Maastricht University welcomes 200 to 300 new non-Dutch staff members each year (in addition to many students). Of these, 75% are from EU countries and 25% are from non-EU countries. Of the EU citizens, 30% are from Germany and 25% are from Belgium. For all of these staff, Maastricht University has set up the Knowledge Centre for International Staff (KCIS), which believes that co-ordination and information provision from the national government can be greatly improved. The facilitation and establishment of border information points and expatriate co-operation is an initial step, but the actual service provision must be well organised.

Dutch labour market mediators have indicated that more room for manoeuvring is required, so that unemployed people can also participate in negotiations in neighbouring countries more easily. The focus in this situation is primarily on benefit payments and financing.

---

<sup>1</sup> [www.eures-emr.org](http://www.eures-emr.org)

<sup>2</sup> [www.startpuntgrensarbeid.benelux.int](http://www.startpuntgrensarbeid.benelux.int)  
[www.grenzpendler-info.de](http://www.grenzpendler-info.de)

The national perspective often presents a one-sided view. For instance, educational institutions argue that there are nationwide discussions on limiting the number of foreign students, particularly German students, as these students cost the Dutch government too much money, whereas little or no mention is made of large numbers of Dutch students studying in Belgium. In addition, Flemish authorities complain about the growing number of students from the Netherlands attending their Universities in areas such as Antwerp and Leuven.

Within the business world, large businesses often have a great deal of expertise in international recruitment and selection, and regarding relevant legislation and regulations, however, many small-medium enterprises (SMEs) do not have access to such expertise.

**Answers to key questions posed by the OECD**

*1. How can cross-border commuting and migration be encouraged?*

- By investing more in teaching and learning of the neighbouring languages and cultures.
- Further extending service provision through border information points and expatriate centres, with the objective of providing unambiguous first-line and second-line information sources relating to taxes, residence permits, social insurance, etc.
- Cross-border public transport should be readily possible, but national public transport companies need to show more willingness to co-operate across borders.

*2. How can border regions benefit more from each other's potential in the fields of employment, education, cultural facilities, training opportunities, etc.?*

- Border regions can work well together, although they are always dependent on national legislation and regulations. Good examples of co-operation initiatives include the collaboration between Maastricht University and the Rheinisch-Westfaelische Technische Hochschule (RWTH) Aachen University at the Chemelot site, and the partnership between the University Hospital of Aachen and the Maastricht University Medical Centre (MUMC).
- Co-operation is also taking place in the cultural field, for example, Maastricht has applied for nomination for the European Capital of Culture 2018, backed by other major cities in the Euregion, including Aachen, Liège, and Hasselt.
- In the field of training and education, another example of a good co-operative arrangement, is the joint German/Dutch programme working in aircraft technology. While these are all good initiatives, in practice there are often disagreements regarding financing systems, and having room to negotiate and manoeuvre in this area is thus essential.

*3. To what extent can national governments be encouraged to create special schemes for border regions, for instance: tax exemptions; subsidising industrial regions; transparency/harmonisation of qualifications; and initiatives for the development of skills?*

- In the short term, it is important that the national government recognises the importance of providing good quality information through means other than digital. Direct service provision to citizens remains necessary.
- It is also important that the state supports initiatives such as border information points and expatriate centres with direct service provision. In the longer term, the harmonisation of legislation and regulations is desirable.

- Room in which to manoeuvre should be offered in areas such as labour market mediation. Being able to find a job for someone should be seen as being a success, even if it is work on the other side of a border, and should be rewarded accordingly. The same applies to providing room for manoeuvring in co-operative ventures between Dutch and German or Belgian schools.
- There should not be a solely national perspective to cross-border transport connections, particularly with regard to public transport.

4. *Is there a need to encourage European migration for specific sectors or industrial clusters? Is migration temporary in its nature?*

- Where there are labour shortages, it is important to look for solutions across the border as well as in the home country. In addition, a larger Euregional labour market will lead to improved job prospects, which in turn leads to greater mobility across the entire area.

***Focus group 2. The challenges of demographic transitions on the labour market: increasing unemployment versus future shortages.***

**Chairperson:** *Dr Frank Cörvers*, leader of the Dynamics of the Labour Market Research Programme, ROA

Three challenges need to be addressed:

- Compensating for demographic shrinkage
- Reducing the number of school drop-outs
- Integrating vulnerable groups in the labour process.

*Compensating for demographic shrinkage*

Demographic shrinkage will not resolve unemployment. The requirements demanded by the labour market and the knowledge and skills supplied by job seekers do not always match. This means that certain fields such as engineering and health care are suffering from a shortage of labour while other sectors have a surplus. A cap on student numbers for certain programmes with poor work prospects is therefore required. Furthermore, this labour market mismatch requires an inflow of new residents. In Limburg, the population decline is cushioned by immigration from other countries. Actions required to bring this about include:

- New residents (particularly those from abroad) need assistance with their integration into local society (this is particularly applicable in the case of students and Polish workers).
- There needs to be sufficient employment for people who have completed higher education degrees.
- Initiatives in the field of economic development must be linked to the strengths of the region - for Limburg, this is chemicals and tourism, which are sectors that also offer work for those with low qualifications.

*Reducing the number of school drop-outs*

Having the standard level of qualification required for sustainable employment remains essential for success in the labour market – in the Netherlands, this is MBO-2 level or HAVO/VWO. Much more attention must be devoted to provision of up-to-date and practical study and career guidance at schools.

30% of those dropping out of intermediate vocational education do so because they have chosen the wrong course. Schools should also devote much more time to 'winning back' those who have dropped out. Once students have dropped out, it is unlikely that they will return to school again without some form of encouragement.

*Integrating vulnerable groups in the labour process*

A large group of lower-skilled older people are facing the problem of skills obsolescence. The maintenance of professional expertise and skills is a responsibility shared by employees and employers. Training should preferably take place in workplaces, as encouraging learning is an important staff support tool.

In South Limburg, there are a particularly large number of lower-skilled people who also suffer from bad health. In order to provide employment for these persons, an appeal should be made to businesses to help contribute to new government plans designed to encourage the employment of lower-skilled workers.

**Answers to key questions posed by the OECD**

1) *What are the main challenges faced by the labour market in view of demographic developments, both for the current generation and future generations?*

- There are no substantial differences in labour market problems experienced by shrinkage regions compared to other regions.
- The most important challenge is reducing the mismatch between labour skills and work vacancies.
- The business world needs to clearly indicate what it requires from new and current workers - in sectors in which businesses do not work together effectively, these demands are poorly articulated.
- Training and education remain crucial.
- Opportunities to experiment with different methods for training and recruiting staff must be encouraged, both in education and within the labour market.
- Universities can also play a role in assisting to correct this mismatch, for instance, by inviting companies to give presentations about their work and job opportunities.
- There needs to be greater clarity regarding what motivates workers, and education and training must then take this into account.

2) *What are the causes of students leaving school prematurely and the consequences for the labour market? How can we prevent the emergence of a lost generation?*

- Pupils and students do not have an accurate view of various professions. The profiles of many professions are becoming more and more complex. Provision of more information about different professions is a necessity in schools.
- Students and job seekers need to be screened better during initial contact in order to determine their desires, ambitions, and skills. Potential opportunities for development and their desired work environment need to be mapped out more clearly.
- It is important not to lose sight of those who drop out of education. Unfortunately, this often happens at present. Those who drop out of intermediate vocational education (MBO) in particular often disappear within the labour market, taking work that does not make the best use of their capabilities.

- The departure of young people from the region is an ever-present concern and is not related to the region's status as a shrinkage region: most young people who have completed intermediate vocational education remain in the region, and three-quarters of the young people who have studied at Zuyd University find employment in Limburg.
- Companies can set up their own apprenticeships: particularly at lower levels, learning by practise is a better way to maintain students' attention levels.
- Training courses and educational programmes in fields with poor work prospects will need to limit the number of students admitted.
- Pupils and students need better support and guidance in order to stop them leaving programmes.
- A different approach is also possible: German students often undertake an additional work experience placement after graduating from Maastricht University before applying for an actual job.

3) *What are the most effective methods and tools for ensuring the employability of vulnerable groups? Are there 'best practices' within companies and public service providers who have developed a special approach? What aspects form obstacles to this?*

- Co-operation between the education sector, employers, and the government is important when offering work to vulnerable groups. One example of a good initiative in this field is *Start2Work*, a scheme recently launched in South Limburg.
- *Vebege* is a commercial firm that aims to employ people from across all social groups including older workers and vulnerable, lower-skilled workers. Vebege has its own department for such 'product development,' occupied with social innovations, including self-organising teams in the cleaning sector, and self-planning in care institutions.
- Governments can make use of 'social return' in their calls for tenders, aiming these at the employment of vulnerable groups. An example of best practice comes from Maastricht municipal council, and the provincial government of Limburg for motorway construction.
- Young people can be given job coaching via a master-and-journeyman system.
- Businesses should combine market-thinking and social responsibility more often. In this way, firms can also distinguish themselves from other companies.
- One such good example is the employment of people from social enterprises in activities at the *Floriade* world horticultural exposition. A proportion of those who were employed at this event are now in regular employment.

### ***Focus group 3. Developing knowledge and skills for the regional labour market.***

**Chairperson:** [Prof. Andries de Grip](#), ROA, Maastricht University

It appears that the knowledge and skills possessed by the working population in Limburg are not in alignment with the demands of employers. Generally, the target groups for public policy refer to three groups.

#### 1. Young people

In Limburg, fewer young people are entering the labour market. Moreover, there is a mismatch between labour supply and demand. There is already a labour shortage in the health care and technology sectors. Education programmes at the lower and intermediate vocational levels have to deal with falling

numbers of pupils and students. It is particularly important to maintain the number of potential places in technological and health care education programmes. Nearby opportunities to undertake work related to the field of study is very important when deciding what to study. Finally, it is essential that the phenomenon of pupils and students leaving school prematurely be combated.

## 2. Lower-skilled workers

Limburg traditionally has high numbers of lower-educated workers. This is partly due to the traditional focus on mining and manufacturing, sectors that previously employed large numbers of lower-skilled workers. As a result, various regions in Limburg are facing issues of poverty and relatively high rates of students leaving school prematurely. Better co-operation between educational institutions and the business sector, and more official recognition of prior learning could contribute to raising current levels of education. In addition, redesigning jobs may also help to increase the demand for lower-skilled workers in the labour market.

## 3. Older workers

The ageing of the population and the increasing costs of retirement due to people living longer make it likely that the retirement age will increase over time. This in turn necessitates increasing the motivation of older people to stay in the workforce, but also requires businesses to invest in their human capital in order to prevent skills obsolescence. It is important that people be challenged to develop themselves and their skills in all phases of their working life. This also draws attention to a problem with the mindset of many employers, who think that older people are less productive than younger workers.

### ***Answers to key questions posed by the OECD***

1) *How can we stimulate young people to choose to work in sectors in which there is a demand for labour? And what is the role of educational institutions and employers in this?*

- It is difficult to find a means of ensuring a good match within the job selection process. People's first selection is usually made when they are twelve years old, but the demands in the labour market are constantly changing.
- Educational programmes need to be flexible, such as by starting education with a broad base and allowing pupils to gradually specialise, which means there will be more possibilities for students to diversify their competencies at the end of their school career.
- Parents should be more involved in study and occupational guidance by giving their children as much information as possible at an early stage and by providing them with role models.
- Educational programmes should pay more attention to basic skills and competencies that can be applied to a wide range of professions. This requires schools to have more scope available to them to experiment when shaping the curriculum. Limburg should create a status as an experimental region in this field.
- Young people must be given the opportunity to discover other job sectors during their internships, by bringing them into contact with different professions. For instance, students who are training to become hairdressers could undertake an internship in the care sector. This would then make them aware of the job opportunities that exist in the health care sector, as this offers them far more job opportunities in both the shorter and longer terms.
- Perceptions of a particular sector of industry must be propagated by the companies themselves in close collaboration with the schools in their region.

- There are many female teachers in primary education. In order to meet current and potential future job vacancies, there is a need to make them more enthusiastic about technical work and to improve their perceptions of working in manufacturing.
- It is very important to improve co-operation between education institutions and the business sector.
- New, innovative practices need to be introduced. For example, undertake visits to parents' workplaces if pupils are interested in undertaking technical studies in similar fields. This approach has been very successful in recruiting students for process operator classes.
- There should also be a greater focus on learning in practice.
- Providing and instituting scope for experimentation in the educational sector in Limburg is very important.

2) *How do we ensure that lower-skilled people are sufficiently employable?*

- Determining the choice of work needs to be done in combination with the employee, taking into account their limitations as well as the existing demands within the labour market.
- Organisations like MTB fill an intermediary role, matching the demands of the business sector with the abilities and preferences of lower-skilled workers.
- Offering training within a company instead of a school classroom is essential for successfully training lower-skilled people.
- Certification of the training that has been undertaken is a requirement for long-lasting employability.
- Job carving and redesign is a successful way of creating more employment for lower-skilled staff. The care organization, VIVRE has developed a best practice in this field.
- Example of good practices include:
  - *Onderwijsboulevard* (Education boulevard) at Leeuwenborgh Opleidingen: set up to cater for the lower-skilled sections of the labour market, in co-operation with the business sector.
  - *Poortwachterscentrum Weert*: creates a pool of employees for SMEs in the region.
  - *Employers' service point*: joint front-office for businesses, with the aim of removing businesses' concerns regarding the perceived administrative burden of employing lower-skilled people or those with limited physical or mental capacities.

3) *How can skill obsolescence be prevented, and what is the role of the business sector and the educational institutions in this?*

- With a specific focus on life-long learning, the Service Centre Limburg Competent has been set up by educational institutions. However, there are few opportunities for development or work experience placements within companies provided through the centre.
- The vast majority of companies' available training budgets are devoted to training employees aged 40 or younger.
- Employers are not sufficiently aware that training is important for prolonging the employment of older people. Coping with the greying of the workforce in Limburg requires a culture change in many companies. Sensitising businesses (including SMEs) by informing them of their potential workforce situation in three years' time might help to achieve this awareness.

- More attention should be devoted to unearthing the hidden competencies employees often have.

#### ***Focus group 4. New sources of economic growth.***

**Chairperson:** *Mr Bart Verspagen*, Director of UNU-MERIT

Companies opt for a location with the highest quality environment. A region must offer that quality to attract businesses to the region. Economic growth can be fostered by governments focusing on specific sectors. Industry policy in the Netherlands has not been a major topic of discussion in recent decades, however, today industry policy is recognised as being an important policy field of the national government, with a clear focus on top sectors that foster innovation and the knowledge economy.

The province of Limburg has linked to *Brainport 2020*, which is centred around the city of Eindhoven in the province of Brabant, currently the top high-technology region in the Netherlands. The Limburg Economic Development (LED) has been set up with the intention being that Limburg will be a fully-fledged member of Brainport. Brainport, and the Chemelot and Maastricht Health Campus sites, realise the importance of fostering open innovation concepts as major opportunities for economic growth. But the question then arises - does this also bring benefits for the current working population of Limburg? The positive view is that yes, it is beneficial for them, as it has many spin-offs into other fields of employment. However, the alternative view is that this story has been heard before. The closure of many mines in the late 1960s posed similar questions and was followed by policies intended to reinforce the economic structure. This was also done by means of industry-focused policy, for example, through the decentralisation of government departments. Initially, this worked well, as seen in the relocation of Statistics Netherlands (CBS) and the ABP pension organisation to South Limburg. Now, however, some sections of these government departments are returning to the Randstad urban region in the west of the Netherlands. The decentralisation policy has therefore not worked as well as intended. There is one very significant difference though between now and then - back then, the organisations concerned were relocated to Limburg from outside the province. The organisations that are part of the current campuses, however, such as Maastricht University and DSM are already based in the region.

#### ***Answers to key questions posed by the OECD***

##### *1) What opportunities are there for new sources of economic growth in the region?*

- For Limburg, industry-based policies need to build on the national top sectors, including Brainport 2020 and the Chemelot, Greenport and Maastricht Heath Campuses. It is important that these initiatives have developmental sequences that will help ensure connections with the working population of Limburg and that these developments are carried by local players with roots in Limburg.
- Quality of life is important. The Netherlands, and Limburg in particular, distinguishes itself in this regard. More focus should therefore be placed on attracting people, such as tourists and pensioners, on the basis of the quality of life that is available, as well as viewing quality of life as a source of innovation and economic growth.
- Is it a problem that people go to work in the Eindhoven region but live in Limburg? After all, at the end of the day, they are spending their money in Limburg. Part of the group does not see this as a problem, while another part does.
- By being part of Brainport 2020, more highly-skilled jobs will come to Limburg, and knowledge jobs are usually well-paid jobs, with substantial multiplier effects.

- Limburg must also not forget the importance of the large number of students at Maastricht University. Attracting students creates jobs and economic strength, which is also a source of economic growth.
- It should be recognised that it is not a problem if the majority of foreign students return to their countries of origin after completing their studies, because they retain a connection with the region that they may use in their future jobs. A contribution can also be made to the economic growth of Limburg in this way.
- The majority of the working population in Limburg has a low or intermediate level of education. These skills and knowledge could be put to better use if the existing infrastructure in North Limburg were to be expanded, for instance in the widening of waterways, which would improve the connection between the port of Rotterdam and the German hinterland. This in turn would result in jobs in Limburg for people with low and intermediate education levels, in areas such as transport and value-added logistics.
- Limburg can potentially create a better economy with fewer people, such as through the green economy.
- In Limburg, there are large groups of SMEs with a large employment potential. However, these companies should get more involved in the co-operative arrangements of the triple helix.
- The SME portal of Maastricht University encourages knowledge transfer between the university and SMEs, whereas Maastricht University's Centre for Entrepreneurship promotes entrepreneurship among students at Maastricht University itself. In general, the university is actively involved in new business set ups linked to top sector areas, and in the subsequent creation of off-shoot businesses.

2) *Which initiatives and strategies could simplify entrepreneurship or self-employment within the region?*

- Limburg should devote particular attention to medium-sized enterprises, and facilitate strategies and promote co-operation.
- Smaller entrepreneurs cannot satisfy certain criteria for tenders and grants. It is important to make tendering processes smarter in order to encourage innovations.
- The focus on the campuses (Chemelot, Maastricht Health Campus and Greenport) helps foster international co-operation. However, insufficient attention is devoted to local SMEs. The regional government could take a stronger supervisory role in this area.
- Education in entrepreneurship at Maastricht University and universities of applied sciences is very important.

3) *Which social and cross-sector innovations could strengthen the competitive capacity of the region? How can the opportunities offered by an ageing population be supported?*

- More cross-overs are required between the various campuses. Bio-based material industries have interfaces with all three campuses. One good example of a project is 'Linking life sciences', which aims to bring together entrepreneurs and students from all three campuses in the field of life sciences. New developments in the agricultural sector are also stimulating the creation of new links between various sectors and campuses.
- The regional government could promote cross-overs between campuses and sectors by incorporating incentives or conditions to this end into its instruments and grants.
- When a government wishes to communicate with SMEs, it will need to speak their language.

### ***Concluding remarks***

The closing plenary session started with brief reports from the four focus groups reporters as summarised above. They presented key points from each focus group discussion. OECD experts then asked questions about the findings and interpreted the issues raised during the focus groups working meetings on the basis of their international experience. The following points, outlined below, are extracted from commentary notes made by the *Round Table: Conclusions and Policy Actions International Panel*<sup>4</sup>:

- The Limburg region is experiencing a demographic shift – demographic ageing. An ageing population requires more care, more staff in care institutions and thus more finances within limited and tight budgets. The way to counterbalance this is with innovations: social innovations; and initiatives in the field of active and healthy ageing – a national and regional policy for shaping the consequences of demographic ageing. Demographic ageing may provide economic opportunities for job creation and innovation in the high-level technology, life sciences and health sectors.
- Although Limburg is innovative and has strong community leadership, the region is experiencing a declining labour force, with many young people leaving the province in order to undertake education or a first job in the more central regions of the Netherlands. With the ageing of the population, the challenge for Limburg will be attracting enough people to work in the important care or chemical sectors. This calls for a matching of demand and supply, with young persons needing to acquire the requisite skills to work in the care sector. More pressure should be exerted on those young people to continue pursuing their education and to participate in the labour force, with initiatives being driven by the private sector and the creation of new jobs. It is also important to create opportunities for the elderly to retain them in the labour market instead of leaving the labour force at an early age; stimulating life-long learning and on-the-job training are instruments by which to achieve this aim.
- Cross-border migration and labour market obstacles include: language and cultural differences; variations in fiscal regimes and administrative barriers; validity of education degrees; poor infrastructure development and co-ordination; and a mismatch between skills and labour demand. Solutions proposed include: introduction of German or French languages in the education curricula of primary schools; one-stop shops that could deal with administrative barriers; and more investment in efficient cross-border infrastructure. However, an important consideration is the level of skills of the workers, as the obstacles to cross-border labour are different for higher- and lower-skilled workers (both on the demand and the supply sides of the market). A skilled worker is usually more flexible than a lower-skilled one, and can more easily adapt to a new work environment, therefore, it is important to treat the two separately, with specific policies.

---

<sup>4</sup> Graeme Henderson, IPPR, UK; Silas Olsson, Health Access, Sweden and David Bartolini (OECD). Commentary was also included by Andries de Jong from PBL.

## Annex 1 Limburg Workshop Agenda



Ministerie van Binnenlandse Zaken en  
Koninkrijksrelaties

provincie limburg



# OECD Workshop SCENARIOS OF DEMOGRAPHIC CHANGE IN LIMBURG

Maastricht – Netherlands

Friday 9th November 2012

## Agenda & List of Participants

*Organised by*

*OECD LEED Programme, the Ministry of the Interior and Kingdom Relations and the Province of Limburg*

*Provinciehuis, Limburglaan 10, 6229 GA Maastricht*

## Background

The workshop is one of the activities of the 'Local Scenarios of Demographic Change' project, conducted by the *Local Economic and Employment Development (LEED) Programme*.

Demographic change is affecting all OECD member countries and developing economies. Fertility rates are lowering, the population age is increasing, youth unemployment is increasing, and the complexity of urban-rural shrinkage is posing numerous challenges to job creation and sustainable development agendas. Strategic solutions cannot be developed based on addressing one of these factors alone, but need to take into account the interplay of these elements within a particular local area of development (urban or rural).

This project aims to provide strategic guidelines for governments and organisations involved in the implementation of employment and skills development programmes at the local level on how to better confront demographic changes. The project will seek to outline future local development scenarios, in order to facilitate adoption of appropriate guidelines on the following topics: sustainable local development models and shrinkage scenarios; employment and skills development in new areas of growth; services to the elderly and social inclusion; developing the silver economy and entrepreneurs; and fertility rate policies and implications for the labour market.

*The project in the Netherlands will focus analysis on the regions of **Limburg, Drenthe/Groningen and Zeeland**. The project will identify innovative approaches to labour market issues in the regions facing demographic shrinkage. These approaches should address the particular problems generated by demographic transition (shrinkage, ageing), which means that a wider understanding of causal relations between demographic transition, economic development and the labour market is needed and should be applied to the particular context of the participating regions.*

Regions facing demographic shrinkage are the breeding ground of future labour market problems for the whole country. Limburg is the first Dutch province in which the population is shrinking. The growing staff replacement demands and the ageing of the labour force are huge challenges for economic development and labour market transitions within the province (a shortage of around 30 000 persons is foreseen by 2016). The workshop will contribute to identification of the main issues and proposals for policy development and initiatives to address labour market challenges. Local activities, initiatives and strategies are of particular importance in the development of proposals for the province and in co-ordination with national goals.

For more information on the project visit <http://www.oecd.org/cfe/leed/demographicchange.htm>

Project WEB 2.0 platform <https://community.oecd.org/community/demographicchange>

**Venue: The House of the Province of Limburg, Maastricht, Netherlands**

**9th November facilitated by Prof. A de Grip**

08:30 – 09:00 Arrivals & Registration

**09:00 – 10:00 OPENING SESSION: THE OECD PROJECT AND THE REGION OF LIMBURG**

**Welcome** – *Bert Kersten*, Regional Minister of Labour Market and Education

**Introduction to the project** – *Dr Cristina Martinez-Fernandez*, OECD/CFE/ LEED

**Background note on demographic change in the Province of Limburg** – *Prof. Andries de Grip*, ROA, Maastricht University

**Q&A**

**Chaired by** *Mr Ben van Essen*, Province of Limburg

10:00 – 10:15 Coffee break

**10:15 – 11:45 THEMATIC DISCUSSIONS: 4 PARALLEL FOCUS GROUPS**

1:30 hours  
(includes preparing key points to be transmitted to plenary)

**FOCUS GROUP 1:**  
Opportunities for cross-border labour markets: policy responses and 'regional capacity'

**FOCUS GROUP 2:**  
Intergenerational challenges of demographic transitions in labour markets: unemployment now but shortages soon?

**FOCUS GROUP 3:**  
Accelerating skill development in industry clusters: what skill ecosystem?

**FOCUS GROUP 4:**  
New sources of economic growth

**FOCUS GROUP 1: Opportunities for cross-border labour markets: policy responses and 'regional capacity'**

*Group work at Round-table discussions:*

A vital region should have a dynamic labour market, strong job creation and be an attractive place in which to live. However, due to the peripheral situation of border regions, it is often more convenient for people to move to central regions, where one can choose from a large supply and variety of jobs in order to progress professionally while living closer to other parts of the country. Therefore it is important for border regions to stimulate cross-border commuting and migration as much as possible and to promote the advantages of cross-border labour markets and diversity of skills. The more open neighbouring regions on both sides of the border become, the more attractive these areas are for people seeking employment and desiring to profit from the different institutional, environmental and cultural circumstances.

*Questions for discussion:*

1. How can cross-border commuting and migration be stimulated?
2. How can border regions profit more from each other's variety of employment, schools, cultural facilities, and skill development programmes?
3. To what extent can national governments be induced to create special arrangements for border regions, e.g. with regard to tax exemptions, subsidising industrial areas, transparency/harmonisation of certificates, and skill development initiatives?

4. Is there a need to stimulate European migration for specific sectors or industry clusters? Should migration be temporary?

**Facilitator:** *Mr Ger Essers*, Expert on Cross-border Labour, Policy Assistant, European Parliament Member

**Reporter:** *to be nominated by the group*

**Experts participating:** *Mr David Bartolini*, OECD and *Mrs Karin Jacobs*, Benelux Union

#### FOCUS GROUP 2: Intergenerational challenges of demographic transitions in labour markets: unemployment now but shortages soon?

Today, demographic change is one of the key challenges for labour markets. Although the potential for further employment growth beyond pre-crisis levels is uncertain, shortages are expected in the near future due to a declining labour force. Declining regions face a major dilemma. On the one hand productivity will become the main engine of economic growth. On the other hand declining regions have large percentages of older people and less productive people, such as those with physical and mental disabilities. This raises the question of how to invest in future employment growth. At the same time, prospects must be offered to older and vulnerable groups in the regional labour market, now and in the near future.

*Questions for discussion:*

1. What are the challenges faced by the labour market due to demographic change for current and future generations? What are the implications for young people today and tomorrow?
2. What are the causes and consequences of early losses from the labour market? How can we prevent having a lost generation arise?
3. What are the most effective methods and tools by which to maintain older people, local youth and other vulnerable people in the labour market in relation to the expected demographic change? Are there best practices available from companies (e.g. HR counselling services) or public support services (national, regional, and local) that have a specific approach in order to counter the impact of demographic change? What are the practices that are not considered to be good incentives, and prevent actors from maintaining older people in the labour market?

**Facilitator:** *Dr. Frank Cörvers*, leader of the Dynamics of the Labour Market research programme, ROA

**Reporter:** *to be nominated by the group*

**Experts participating:** *Prof. Philip Taylor*, Monash University; *Andries de Jong*, PBL; and *Aldert de Vries*, BZK

### FOCUS GROUP 3: Accelerating skill development in industry clusters: what skill ecosystem?

Regional specialisation may require a better match of skills for the regional labour force on one side, and the skills required by employers on the other side. Skill mismatch may have different causes: lower-skilled people without relevant competencies for the labour market; young people may not choose fields of study in areas that are needed; the competencies of older workers may not be up-to-date or their skills may decline when they lose their job. Therefore, employers are inclined to recruit migrants, attract graduates from other regions, or move to central parts of the country where the potential labour supply is larger and more diverse. At the same time it is difficult for educational institutions to meet all the needs of employers, or there is a lack of connectivity between the educational supply and demand for skills.

#### *Questions for discussion:*

1. How can we make sure that young people choose study fields that are in demand? What is the role of regional educational institutions and employers in this case? How can cluster competitiveness be addressed?
2. How can we raise the employability of lower-skilled people? What is the role of training and skill development?
3. How do we prevent skill obsolescence? What is the role of the employers?

**Facilitator:** *Mr. Prof. Dr. Andries de Grip*, ROA, Maastricht University

**Reporter:** *to be nominated by the group*

**Experts participating:** *Dr Cristina Martinez-Fernandez*, OECD/CFE/LEED; *Jasper van Loo*, CEDEFOP; and *Mr Graeme Henderson*, IPPR

### FOCUS GROUP 4: New sources of economic growth

Apart from the overall decline of population growth in the Netherlands, the regions with shrinking populations also face issues of population ageing and migration of younger people from their region to the Randstad (urban agglomeration). This migration is related to the stagnation of economic growth in the region. To curb this potentially self-replicating process, public policy can help to curb the outflow of people by encouraging new sources of economic growth, which in turn increase employment opportunities. These new sources of economic growth could: (1) encourage entrepreneurship and self-employment; (2) attract emerging industry sectors to the region; (3) develop a silver, white or green economy; (4) increase offshoots of high-tech firms from universities at newly built campuses; (5) increase employment in higher education areas by attracting foreign students to the region; or (6) create new cross-sector alliances/businesses.

#### *Questions for discussion:*

1. What are the opportunities for new sources of economic growth in the region?
2. Which initiatives and strategies could facilitate entrepreneurship or self-employment in the region?
3. Which social/cross-sector innovations can strengthen the competitiveness of the region? How can we support the opportunities offered by an aging population?

**Facilitator:** *Mr Bart Verspagen*, Director of UNU-MERIT

**Reporter:** *to be nominated by the group*

**Experts participating:** *Mr Silas Olsson*, Health Access and *Mrs Roxana Chandali*, BZK

**11:45 – 12:45** **ROUND TABLE: CONCLUSIONS AND POLICY ACTIONS**

**4 Reporters provide key points from focus groups**

*International Panel discuss results*

- *Mrs Karin Jacobs*, Benelux Union
- *Prof Philip Taylor*, organisation
- *Mr Graeme Henderson*, organisation
- *Mr Silas Olsson*, organisation
- *Mr David Bartolini*, OECD

**Chaired by** *Mr Ben van Essen*, Province of Limburg

**12:45 – 13:00** **CLOSING**

*Dr Cristina Martinez-Fernandez*, OECD/CFE/LEED

*Aldert de Vries*, BZK

**13:00** **LUNCH**

## Workshop Participants

### Workshop 1

Surname	Initial	Organisation
Aarts	H.	Fontys
Barrois	D.	Gemeente Venlo
Bartolini	D.	OECD
Blasic	P.	Gemeente Sittard-Geleen
Bun	E.P.L	Arcus College
Dewalque	H.	MUMC
Donders	J.	Talentplus afd. Parkstad
Ensink	G.	DSM
Essen van	B.	Provincie Limburg
Essers	G.	adviseur grensoverschrijdende wonen en werken, medewerker Ria Oomen
Eurlings	V.	Maastricht University
Foppen	J.W.	Universiteit Maastricht/Zuyd Hogeschool
Haane	P.	
Heijmans	M.	Eures
Jacobs	K.	Benelux
Laarakker	H.	Gemeente Venlo
Schmeits	N.	Provincie Limburg
Schneiders	J.	DSM/LED
Schwillens	R.	UWV
Vrehan	H.	CEO Licom
Werner	H.J.	Agentur für Arbeit Aachen-Düren

## Workshop 2

<b>Surname</b>	<b>Initial</b>	<b>Organisation</b>
Benjamins	F.	Zuyd Hogeschool
Bergink	A.	Jonge Democraten Limburg
Beuken van den	M.	Gemeente Venray
Cörvers	F.	ROA
Derks	W.	Onderzoekscentrum bev.daling
Gardeniers	J.	Etil
Heuvel van de	H.	OGVO
Jong de	A.	PBL
Jong de	H.	Provincie Limburg
Kasper	H.	Etil
Kasteren van	S.	Cita Verde College
Kikken	T.	SOML
Kusters	J.	OU en stuurgroep ondw. Koers
Maas	J.	Servicentrum L.L.L.L.
Maessen	V.	Jonge Democraten Limburg
Muysken	J.	Maastricht University
Smoorenburg van	M.	UWV
Taylor	P.	monash
Verstappen	S.	Provincie Limburg
Vrancken	M.T.	Werkvoorelkaar
Vries de	A.	Binnenlandse Zaken
Waning van	A.	Vebeego International BV
Webers	E.	RMI

### Workshop 3

<b>Surname</b>	<b>Initial</b>	<b>Organisation</b>
Boskamp	E.	Zuyd Hogeschool
Coenen	J.	TIER - Maastricht University
Grip de	A.	ROA
Henderson	G.	IPPR
Hodzelmans	L.	Cita Verde College
Jegers	J.	Gemeente Maastricht
Jöris	M.	MTB Maastricht
Jungbluth	P.	UM
Kohl	W.	TCZL
Langen	C	Leeuwenborg Opleidingen
Loo van	J.	CEDEFOP
Martinez	C.	OECD
Michels	M.	SBB
Palmen	J.	ENCI
Paulussen	Y.	Vekoma
Peters	T.	PMLF
Pleumeekers	J.	VWL
Schols	M.	Provincie Limburg
Skriabikova	O.	Maastricht University
Strauss	R.	European Commission
Wildhagen	I.	Provincie Limburg

**Workshop 4**

<b>Surname</b>	<b>Initial</b>	<b>Organisation</b>
Chandali	R.	Ministerie Binnenlandse Zaken
Damme van	L.	
Gregersen	J.	Universiteit Maastricht
Hendriks	M.	LWV
Kampe ten	T.	Zuyd Hogeschool
Lange de	S.	Syntens
Lansu	E.	Delfin
Meens	J.	SVOPL
Meulenbeld	J.	Provincie Limburg
Montfort van	M.	Jonge Democraten Limburg
Olsson	S.	Health Access
Oppen van	C.	Maastricht University
Sillen	K.	Maastricht University
Sloun, van	B.	Provincie Limburg
Speetjens	C.	Manpower
Thor van	J.	ROA - Maastricht University
Urlings	J.P.	Kamer van Koophandel
Verspagen	B.	UNU Merit
Widdershoven	R.	Provincie Limburg
Wouw van de	P.P.	Gemeente Maastricht