



IMPLEMENTING CHANGE: A NEW LOCAL AGENDA FOR JOBS AND GROWTH

In co-operation with the EU Presidency, Irish Government and Pobal

26-27 March 2013, Dublin-Kilkenny, Ireland

Summary of key messages

The 9th Annual Meeting of the OECD LEED Forum on Partnerships and Local Governance was co-opened by Yves Leterme, OECD Deputy Secretary-General and Richard Bruton, Minister for Jobs, Enterprise and Innovation. Deputy Phil Hogan, Minister for Environment, Community and Local Government joined the Forum dinner on the 26th March. The event was co-hosted by the Irish Department of the Environment, Community and Local Government, the Department of Social Protection, the Department of Children and Youth Affairs and Pobal. The OECD LEED Programme is actively engaged with the Irish Government providing guidance on its current reform of labour market and training policy delivery, local strategies for youth employment, as well as local government reform. The Forum meeting provided an opportunity to review the first results of this work in light of international experiences.

In his key note speech, Edward Blakely, Professor of Urban Policy, United States Studies Center, University of Sydney, Australia, underlined the **impact of the knowledge based economy on communities** which need to place more emphasis on attracting talented people and generating an atmosphere that encourages innovation. Each community has to have a global strategy and links to the world economy but at the same time build strong and deep resources to make local basic goods and services that make it more flexible to deal with world economic swings. Communities have to provide competitive, quality job opportunities across a broad spectrum of working occupations for citizens throughout the region. This requires examining infrastructure locations, schooling and educational options as well as physical locations of jobs.

Debra Mountford, OECD, stressed that in the current economic context, **local development requires 'whole of government' and 'multi-sector partnership' approaches**. Local development needs to re-calibrate its role in supporting local economies & communities, adapt and re-align to external changes in markets, technologies and conditions. Local leaders need to restructure, revalidate, or re-engineer local assets and platforms. *Putting People First: Active Plan for Effective Local Government* has the potential to recalibrate local government and local democracy in Ireland with that of the rest of Europe. In this context, **Manchester's entrepreneurial city-level governance** is interesting as it has stimulated a new approach to economic governance in the United Kingdom which is underpinned by a mature business leadership structure taking responsibility for delivering key economic programmes. Baron Frankal, Director of Economic Strategy, New Economy, Association of Greater Manchester Authorities, underlined that for the public sector to be effective in delivering local development through collaborative governance arrangements there should be autonomous decision-making and leadership; infrastructure (transport & digital) investment (for example £560m Northern rail hub, £25m Growing Place Fund; £12m Urban Broadband Fund) including investment in skills to reduce the productivity gap; and working within practical economic geographies.

The preliminary findings of the **OECD Local Job Creation: How Employment and Training Agencies can Help? review of Ireland** presented by John Sweeney, Senior Policy Analyst, National Economic & Social Council, Ireland, showed that capacities are strained by the recent recession and significant reforms underway. At the local level, there is a risk of stakeholders retrenching further into policy silos, which is amplified by the absence of bodies to bring together stakeholders in local economic development,



employment and training. More flexibility in the management of employment policies may be needed to support policy integration on the ground, better adaptation to local needs including improved responsiveness to employers' needs to stimulate job creation. In this context, experiences from the US and Canada could be useful as they show that gaps between the supply and demand of skills can be narrowed through local flexibility and autonomy, as well as supporting partnerships that connect workforce and economic development.

It was highlighted that training in Ireland is broadly available across a range of sectors and that delivery methods are flexible to meet both individual and employer needs. There are examples of successful partnerships with employers in raising skills, including SMEs (i.e. Skillsnet). The skill needs of local sectors are less systematically monitored and VET responses are more ad-hoc. One way of assisting local companies move up the value chain and improve their competitiveness is through policy approaches, which seek to better utilise the skills of the current workforce. In Ireland, more focus and attention needs to be put on the role of public policies which stimulate productivity through greater workplace training. Furthermore, it is important to ensure adequate career guidance informed by local labour market intelligence is available so youth and adults can make informed decisions. In terms of the inclusiveness of employment policies, a broad range of employment and training programmes are available to support 'at risk' groups, however, major concerns with **youth unemployment** have not translated into comprehensive national or local employment strategies. In this area, the **experience of Northern Ireland**, presented by Stephen Farry, Minister, Department for Employment and Learning, is useful, in particular the partnership work being recently undertaken to prevent youth unemployment through the NEET Advisory Group. Also inspiring are recent efforts in Northern Ireland to **improve engagement with employers** through the Success through Skills – Transforming Futures strategy.

The second plenary session focused on **job creation in rural areas**. "*Employment and Unemployment in an Irish Rural Context*" study presented by Dr. Kathy Walsh, KW Research and Associates, takes a fresh look at the nature and issues associated with rural employment, unemployment and social inclusion in order to determine the impact of post-2008 economic and social change in rural areas. The study shows that there is a need for a broader definition of 'rural' that values the close linkages between open countryside and small towns and villages that service these areas. The delivery of activation policies and programmes is more challenging in rural areas due to remoteness, lack of childcare services and lack of decent jobs with progression opportunities. Policy responses include: better adaptation of activation to the rural environment, refocusing resources from control to intensive support and outreach, with investment in childcare, transport and progression; reinvestment in apprenticeships as a means of equipping the workforce for the new jobs already identified as appropriate for rural areas; and investment in the social economy as a significant driver in the rural economy.

Sally Sinclair, CEO, Australia National Employment Services Association spoke about **Australian experience on regional, rural and remote employment strategies** underlining the importance of individualised, personalised assistance; strong employer engagement, partnerships and collaboration, and strong performance framework designed to adapt to the needs of the local labour market.

The OECD experience presented by Betty-Ann Bryce, shows that, **rural-urban partnerships** are useful to support job creation in rural areas provided that certain conditions are put in place including improved rural business related services e.g. financing (access to venture capital) loan programmes, ICT etc.; innovative service delivery schemes with fiscal incentives and regulation (to encourage private sector entry into certain areas). Also important is the flexibility in "who" provides the services. The inclusion and active participation of a wide range of stakeholders (NGOs, private businesses, financial institutions, and citizens) is proving indispensable for improving rural service delivery.

Jim Breslin, Secretary General of the Department of Children and Youth Affairs, Ireland concluded the event, recognising the need for a strategic approach both at national and local levels to combat youth unemployment and reduce the NEET rates.

Discussions continued in numerous parallel workshops and project visits which in addition to the above core themes focused on ways to support high growth potential firms, build local labour market evidence, and manage demographic transitions in the labour market.

For further information about the event: <http://www.oecd.org/cfe/leed/9thfplgmeeting.htm>