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"Active Labour Market Policy and Overcoming Social Exclusion – European Policy Strategies and Performance Measurement"

**Final Conference of the Project EMDELA,
on March 1st and 2nd 2007 in Gießen, Germany**



**JUSTUS-LIEBIG-
UNIVERSITÄT GIESSEN**



Gesellschaft für prospektive Entwicklungen e.V.

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Contents

Preliminary remark	5
 EMDELA Conference Day 1 Active Labour Market Policy in Context of European Social Inclusion Strategies	
 Greeting <i>Peter Lelie, European Commission, DG Employment, Social Affairs and Equal Opportunities, Brussels, Belgium</i>	
	8
 Initial considerations for the project EMDELA <i>Niklas Forreiter, Zoom – Society for Prospective Developments e.V., Göttingen</i> <i>Andreas D. Schulz, Justus Liebig University of Gießen, Germany</i>	
	9
 Basic Structures of Labour Market Policy in Germany <i>Dr. Karsten Schuldt, Progress Institute for Economic Research, Teltow, Germany</i>	
	15
 Active Labour Market Policies – Structures and Developments in Italy <i>Dr. Monica Loss, Research Institute Non Profit Organisations, University of Trento, Italy</i>	
	20
 Active Labour Market Policies – Structures and Developments in the UK <i>Dr. Mike Aiken, Research Institute Cooperatives, Open University, Milton Keynes, United Kingdom</i>	
	25
 Active Labour Market Policies in Finland <i>Dr. Pekka Pättiniemi, KSL - Civic Association for Adult Learning, Helsinki, Finland</i>	
	42
 Active Labour Market Policy Aimed at Reducing Long-Term Unemployment in Slovakia <i>Mgr. Martina Sekulová, Institute for Public Affairs, Bratislava, Slovakia</i>	
	44
 Panel Discussion Active Labour Market Policies in Europe – Do Local and Network Approaches Promote Social Inclusion of Long-term Unemployed?	
	54

EMDELA Conference Day 2
Performance Measurement of Active Labour Market and
Social Inclusion Policies

Social indicators as OMC related instruments in the field of EU inclusion policy <i>Eric Marlier, CEPS/ INSTEAD Research Institute, Luxembourg</i>	62
Evaluation of Mainstreaming Social Inclusion (MSI) <i>Izabela Litewska, Combat Poverty Agency, Dublin, Ireland</i>	69
EMDELA Indicators for the examination and evaluation of local labour market policies with a view to social inclusion <i>Sandra Kotlenga, Zoom - Society for Prospective Developments e.V., Göttingen, Germany</i>	76
Indicators of social exclusion from the point of view of those affected <i>Prof. Dr. Walter Hanesch, University of applied science, Darmstadt, Germany</i>	87
Panel discussion “...the point, however, is to change it!” - The importance of monitoring and evaluation in assessing effectiveness and policy development in Europe	92
Summary of the 2 nd day <i>Dr. Thomas Mirbach, Lawaetz Foundation, Hamburg, Germany</i>	105
Annex	107

Preliminary remark

Active labour market policy on a local level is considered an important approach within European social policy for overcoming poverty and social exclusion. The conference brought the debates on active labour market policy and on social inclusion together. Furthermore the relevance of indicators, monitoring and evaluation in this field was discussed.

On the first day of the conference, recent developments in the field of active labour market policies were presented for different countries. The subsequent panel discussion followed the questions: To what extent do common tendencies in policy design and implementation exist among different Member States? How should they be assessed in view of European strategies for social inclusion and poverty reduction? The conference contributions showed that social exclusion will not automatically be decreased by work activation but requires comprehensive strategies of social policies and active employment policies.

The discussions during the second day derived from the hypothesis that active labour market policies are becoming more important for strategies of social inclusion, which raises the question if and how active labour market policies can be evaluated in view of social inclusion. Different projects in the field of labour market and social policy which have developed or used indicators, evaluation methods and instruments were presented. Beside from debating methodical requirements, the core question was how relevant monitoring and evaluation activities are for the development, implementation and revision of policies.

The conference took place in the framework of the EU-funded project EMDELA „Emerging Designs of Active Labour Market Policies in Europe“ which was carried out in co-operation between the Chair for Comparative Health- and Social Policy at the Justus-Liebig-University Gießen and Zoom – Society for Prospective Developments e.V., Göttingen, Germany. EMDELA developed indicators to depict design, implementation and results of local active labour market policies and to assess their contribution to social inclusion. For the project case studies were conducted in Germany, Finland, Italy and Great Britain. In an open approach, aspects are considered which go beyond the question of social inclusion through work intergration.

We would like to thank the European Commission for its financial support for the project, and all participants and speakers for their contributions.

Adalbert Evers, Niklas Forreiter, Sandra Kotlenga, Andreas D. Schulz

Gießen and Göttingen 2007

Emdela Conference Day 1
Active Labour Market Policy in Context of European Inclusion Strategies

Greeting

Peter Lelie, European Commission, DG Employment, Social Affairs and Equal Opportunities, Brussels, Belgium

I am pleased that I am able to participate in this interesting conference on behalf of the European Commission. It is two years ago that European Commission launched an open call for proposals on the evaluation of the economic and social impact of inclusion policies under the Open Method of Coordination (OMC). It is under this call that eventually the Emdela project has been funded. The timing of the call was not coincidental; it is not by chance that this call was launched at the start of 2005. Indeed, 2005 was the mid point of the reference period for the Lisbon Strategy. In the preceding year we had a number of reviews and evaluations of the strategy. The results of these reviews and evaluations were pointing in the same direction: Although people who had themselves been directly involved in the strategy or the OMC seemed to be rather positive about its value added, the picture based on the results of the European indicators was less positive. It didn't seem as though the European Union was fastly becoming the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion (the 2010 Lisbon strategic goal) or that we were having a decisive impact on the eradication of poverty. As a result of these reviews and the mid-term evaluation of the strategy there were two important conclusions. The first one was that we need to assess more the impact of policies. At that time I was working in the indicators subgroup of the EU social protection committee and we were mainly focusing on outcome indicators. After these evaluation results the focus became more and more to look not only at outcomes but also at the inputs, the instruments of policy: how do they produce outputs and how do outputs contribute finally to outcome. There was a new emphasis on trying to assess the impact of policies, on monitoring and evaluation of policies. A second important conclusion that came forward as a result of the review and the evaluations was the revision of the Lisbon Strategy itself. In the first years of the decade the Lisbon strategy was based on three policy-sectors: economic policy, employment policy and social policy, loosely coordinated in what was called the 'Lisbon triangle'. As a result of the evaluation the economic and the employment policy have been integrated in the jobs and growth strategy, the major policy priority. Separated from that, we have the OMC on social protection and social inclusion - which is in fact the OMC on social inclusion that was enlarged by taking on board the OMC on pensions and the OMC on health and longterm care. Now, in this new set up it becomes important to see: What is the link between these two poles: the growth and jobs strategy on the one side and the OMC on social inclusion and social protection on the other side? How does social inclusion and social protection policy contribute to economic and job growth and conversely how does economic and job growth contribute to social inclusion and social protection? This is called the "feeding in" and "feeding out". If you look at the Emdela-project: the two concerns I just mentioned are really there: the idea of measuring the impact of policies, looking at indicators and the concern of trying to find out what the link is between labour market policy and social protection and social inclusion. This last concern is important because, as it is written in the (recent) 2007 joint report on social protection and social inclusion which has been presented to the European Council last week, economic and employment growth does not automatically benefit people who are furthest from the labour market. The report also says that we see almost everywhere in Europe that there is an increased conditionality in accessing benefits and that this must not push people who are far from the labour market further in social exclusion. There was an interesting report produced by the European Anti Poverty Network last year based on testimonials from people all over Europe. It concluded that not for all people labour market activation is a solution. It sometimes drives people further in social exclusion. The answer to this problem of the link between the different parts of the strategy is for the European Union the concept of active inclusion. This comprises a combination of three pillars: Firstly, the creation of links to the labour market through job opportunities and vocational training. Secondly, the provision of an adequate income so that people can live in dignity even if going to the labour market is not an option for them. And thirdly,

live in dignity even if going to the labour market is not an option for them. And thirdly, creating a better access to services, both social services to help people get integrated in society and active labour market policies to help people into the labour market. This year we will have a lot of activities centered on this concept of active inclusion and there will be activities both on the level of research and on the political level. There is a major study on the way on the impact of active inclusion policies. First results will be ready by a major conference that we will have at the level of the European Union in Mid June. And by the end of the year we should have a communication by the Commission which will be actually a second stage consultation document on the concept of active inclusion. We hope that results of the Emdela project will feed in into this research and these activities. Now, I wish ourselves a very interesting and inspiring conference.

Initial considerations for the project EMDELA

Niklas Forreiter, Zoom – Society for Prospective Developments e.V., Göttingen, Germany

Andreas D. Schulz, Justus Liebig University of Gießen, Germany

In most European countries in the 1990s, labour market policy underwent a fundamental shift. Employability, “support and challenge” (*“Fördern und Fordern”*), workfare and empowerment, profiling and case management – these are the central terms used today when discussing state support for the unemployed. These tendencies can be described as constituting a paradigm change from active to activating policies, from institutional to individual policies, and from distributive to regulative policies. The paradigm of activating labour market policy fundamentally alters the relationship between the welfare state and corporate actors in employment policy and between the welfare state and citizens, as well as the internal structures and processes of the state and its administration.

Against this background, the project EMDELA (“Emerging Designs of Active Labour Market Policies in Europe”) has as its aim the development of indicators for measuring the performance and successes of activating labour market policies and social integration. We faced the fundamental problem of examining a very large area (the EU) for similarities and differences. This was only possible because of the common elements discernible across the European member states in their changing employment policies, despite their differing welfare state traditions. These common elements then became the reference points upon which we developed our system of indicators. Before describing the six common over-arching reference points below, we shall first briefly indicate how we defined the terms social inclusion / exclusion, under which labour market policies are to be evaluated. We would further like to make it clear that the over-arching trends we present can be treated and taken up by public policies in quite different ways; decentralisation and measures for supporting it, for example, can have very different meanings. Depending on the direction taken by each labour market policy, the degree and type of social inclusion aims and services will be different. Altogether, this exposition should provide a picture of the basic understanding and concept of labour market policy and social inclusion that guided the development of the indicators.

Inclusion and exclusion

The European Commission's Joint Report on Social Inclusion, 2004, defines social exclusion as a “process in which people are forced to the edge of society and prevented from full participation by their poverty, their lack of personal resources, or lack of opportunities for life-long learning.” The Report continues to say that social exclusion creates a distance between those affected and “possibilities for employment, income and education, and also to social and communal networks and measures. They have almost no access to power structures or decision-making bodies, and thus often feel powerless and incapable of influencing the decisions which affect their daily lives.” There is little to add to this. It should merely be emphasised that the issue here is far more than lack of income, and that the lack of resources is not only concerning external commodities but also to be found within the capacities of the affected persons themselves.

The Commission's Joint Report thus defines social inclusion as “a process in which people who are threatened with poverty and social exclusion receive the chances and resources required for them to fully participate in economic, social and civil life, and to enjoy a standard of living and quality of life that is regarded as acceptable by the society in which they live. It ensures that these people increasingly participate in the political decision-making processes which affect their lives, and enjoy increasing access to their fundamental rights.” Thus social inclusion also is not concerned with financial or economic aspects alone. Social and cultural participation is equally important, and beyond this participation in political decision-making processes and access to fundamental rights. We would however like to note that these different dimensions of a socially integrative labour market policy are connected. However important advice and other social services may be in this area,

they will achieve little if elementary questions of material security and income levels remain unsolved. This becomes clear, at the latest, when issues of affordability arise e. g. with entrance fees for cultural or free-time activities, or costs of legal advice.

Components of activating labour market policy

As noted above, the indicators for evaluating active labour market policies with a view to social inclusion aims which we have developed are grouped along common transnational tendencies of active employment policy. What do we consider to be part of these trans-European tendencies, and in which ways are these tendencies ambivalent, because each one can be politically expressed in different ways?

1. Decentralisation: Subsidiarity, inclusion of affected and relevant actors, leeway for action and setting priorities at a local level are all aims and motives for the decentralisation of national labour market policies. The regionalisation of decision-making is part of the creation of decentralised administrative units, relocation of budget responsibilities, support of local definition of targets, and independent control over delivery. Decentralisation can however also lead to supra-regional political actors withdrawing themselves from their obligations, by referring to local responsibility.
2. Cooperation and networks: Cooperation is very important for the development of common capabilities, aims and approaches. Synergies are created, but also opportunities for a democratic culture, and the involvement of relevant actors in the planning and execution of labour market policies. For this to occur, relationships of trust and possibilities for discussions on an equal footing between all sides concerned must be developed. It is however no longer possible to work together on strategic and operative targets when relevant actors are not included; when a managerial style of tendering and use of service providers is in place rather than a network based upon trust; when working relationships are merely functional; or when one actor in the network, e.g. the local labour policy instance, attempts to occupy a special position as the maker of decisions and contracting party.
3. Case management: In recent years, the collecting together and treating of individual problems and requirements by one person with all encompassing tasks (case manager, personal adviser) has been an important step in the professionalisation of employment and social policy activities. Organising and networking support for the long-term unemployed guarantees, ideally, a reasonable time-frame and quick movement between measures and requirements. The intensity of support should also be increased by providing a personal contact person for the unemployed person, who is available for the complete range of support. Profiling and case management can, however, also lead to problems: profiling may differentiate too much or too little (e.g. relevant target groups may not be defined, or too much information may be collected), or an over-emphasis on quantitative statistical measures may displace qualitative discourses and concerns. Case management may degenerate to a mere controlling function in situations where there are too few personnel with insufficient qualifications, little access to timely measures and few resources available for support. Finally, a difficult task is avoiding the delivery of social services being made simply subordinate to labour market politics that are oriented to short term employment successes only.
4. Empowerment and emphasis on responsibilities: The success of an active labour market policy is highly dependent on the participation of those individuals affected. Besides giving immediately employment-relevant skills, support in building up social competence as well as individual development potentialities and options for action are very important in

this matter. These dimensions today usually appear together with the formulation of responsibilities justified by the principle “helping people to help themselves”. This includes the duty to prove that one has made an effort or to take up any kind of job which has become more binding and formalised, to the extent of sanctioning non-compliance. This practise becomes unfair, however, under conditions where there are simultaneously many possibilities for sanction and few for support, where basic freedoms of long-term unemployed people are restricted, and their right to co-determination in contractually finalised concepts for integration is denied. The enormous pressure for short-term success which is often encountered increases the tendency for the two aspects of “develop and challenge” to be out of balance.

5. Links between labour market integration and social inclusion: Social inclusion targets are first to be taken into account in labour market policy itself. They translate, for example, into questions of free access and equality of access to measures, or questions about the extent of support for groups for which any immediate chance for (re)employment is weak and where investments may have a high risk and only a long-term return. Hence measures which promise the best short-term labour market successes may be the worst from the point of view of social inclusion considering the growing number of jobs not providing a sufficient income. Effects on social inclusion are also highly dependent on the ability of labour market administrations and services to integrate offers from the social services departments. Here too the question arises as to whether labour market policy is also prepared to address those, who initially require social support, before they are suited to participate in labour market measures aimed at employment.
6. Monitoring and evaluation: These are important elements in the inspection and correction of targets and measures, also in labour market policies. For this reason, such elements have become increasingly professionalised in the labour market administration, and legally regulated. There are here, too, different variants, positive and negative – the latter, for example, show, when relevant qualitative aspects are sacrificed for the sake of quantitative measurability.

Different goals and horizons in labour market policy

In the above it has been demonstrated that, while cross national tendencies can be discerned across Europe which form something like a shared agenda, policies implementing them may differ widely.

Aims of labour market policy

The central features which allow to differentiate policies are the timeframe and sustainability of labour market policy and the extent to which the needs of disadvantaged people are considered. Real policies can be placed along a line between the following poles.

- One extreme is formed by labour market policies which are concentrated on short-term employment successes in existing labour markets. While this strategy increases success in placement rates, it may result in serious problems in connection with the integration of the long-term unemployed – low investment in human capital of people with low employability, simultaneously with an attempt to increase short-term employment successes for other groups lead to “creaming” effects. Such a strategy is thus not sustainable, and hardly socially integrating for the long-term unemployed.
- The other extreme is formed by labour market policies which aim for the long-term securing and development of skills and for contributing to the sustainable improvement of employment and income possibilities. This type of policy is important particularly for the inclusion and em-

employability of the long-term unemployed under conditions of a stagnating labour market. Furthermore the question remains, what support can be given here and now, beyond preparing people for a more distant future. This leads to tasks such as creating possibilities for participation in value-creating activities and for potential earnings for instance by publicly subsidized employment opportunities. This is relevant because for most people social inclusion is strongly linked with participation in some form of working life.

Elements of labour market policy

Real labour market policies will usually have to be placed somewhere between the two extremes of only short or long-term orientation. Their positioning in this field affects, however, the alignment of measures in all the following areas, such as:

- Customer orientation and the relative weight of training and educational measures;
- Application and function of the “second labour market”;
- Ideas of bridges to existing labour markets;
- The extend to which the requirements for activity of non-employable people are taken into consideration;
- The position and tailoring of offers for social stabilisation;
- Character, extent and target group orientation of employment measures;
- The value given to the connection between policies and structural economic policies (e.g. social infrastructure improvement), and
- The importance given to sanctions as a means for forcing the acceptance of any available job.

Activating labour market policies which satisfy both demands – integration in the labour market and social inclusion – do not have a homogeneous group of unemployed people as their client group, but instead different groups with individual requirements and profiles of abilities. This diversity must, in our opinion, not only be reflected in the manner in which practices such as profiling and case management are designed, but also in the variety of aims and instruments instead of focusing only on placement in any kind of job.

Labour market policy and social inclusion - a difficult and multi-faceted relationship

Labour market policy today can no longer mean only to assist in employment in a job in the first labour market (work first), but also not reduce it offers towards offers for employment and qualification in a so-called second labour market. In the EU member states, tendencies to social exclusion exist, that can not be reduced to issues of employment or the level of transfer incomes available to the unemployed. They are concerning the whole design of labour market policies and their selectivity as well as the degree and way links are established with social services from other policy fields. For activating labour market policies the challenge of social inclusion shows in three ways:

Firstly it shows within labour market services and their policies itself, in particular with respect to

- the distribution of offers amongst different groups
- the types of jobs which are found (wages and job quality)
- the availability of work offers for to maintain chances for inclusion, especially for groups which are not employable in the medium term.

Secondly, the challenge of social inclusion translates into the call for networking with social services, especially those that help with social problems met among the long term unemployed more often (e.g. addiction or debt).

Thirdly, the challenge of social inclusion calls for appropriate connections with transfers - measures for basic financial assistance and/or income support and social assistance. There is not only the question whether and on what level such rights for transfers and financial support is existing in a given country. Another important question is concerning the boundaries between those deemed to be suited for employment "in principal" and those deemed as being not able to take part in paid work - by what criteria the boundaries are drawn between both groups?.

Finally, two problematic points have to be mentioned. One is the fact that assistance from labour market policies is today not a clear cut right but mostly conditional – dependent on the addressees own preparation and performance, employability etc. Against this background, the basically positive idea to offer within the framework of labour market policy as well various social services can as well get dangerous threads. Offers of social service support which used to be available to all who needed them, such as debt advice, may now be allocated according to criteria of employability and willingness to co-operate. The second point is concerning the ugly side of the tendency to make the personal efforts of the people affected the central point, while offering relatively little with respect to the circumstances that prevent them from participating fully in working and social life. One should remember what Richard Sennett comprehensively analysed in "The corrosion of the character" (1998): Nowadays, anyone may become affected by sudden unemployment and exclusion, regardless of position and biography. In this connection, it is vital to point out that basic income support and social service support are important human rights, and should not figure as mere instruments of labour market policy.

Basic Structures of Labour Market Policy in Germany¹

Dr. Karsten Schuldt, Progress Institute for Economic Research, Teltow, Germany

Labour Market Germany – Main Problems and Target Groups

- The number of unemployed people has not sunk below 4 million in the last ten years
- Unemployment percentages vary widely from region to region, from approx. 4% (i.e. in Freising/ Bavaria) to more than 20 % especially in the North-East of the country (e.g. 26% Demmin)
- Structural employment deficits in large areas - temporary search unemployment in others.
- Establishment and large proportion of long-term unemployed (according to national statistics approx. 40%) and long terms of unemployment
- High proportion of youth unemployment at the first threshold (between school and training) and second threshold (between training and entering the labour market) with serious regional differences: in East Germany the first threshold has 5% unemployment, the second over 20%
- Low proportion of older people in employment (approx. 35%), hidden unemployment due to early retirement programmes
- Above average unemployment for less-qualified people and those with a migration background

Restructuring of Labour Market Policy since 2002 ("Hartz Reforms")

- Paradigm change from active labour market policies to activating welfare state
- Change in responsibilities:
 - ⇒ on the one hand, unemployment assistance and social welfare assistance are combined. Those who previously received the insurance-supported payment "unemployment assistance" ("Arbeitslosenhilfe") now receive need-based support based on social benefit.
 - ⇒ on the other, active labour market support is divided into two legal frameworks, producing new "breaking points". On the one hand the legal framework SGB III (Sozialgesetzbuch III) for those who have contributed to employment insurance on the basis of earlier employment subject to social insurance contributions >> right to "unemployment benefit I" (called "Arbeitslosengeld I"). The legal framework SGB II specifies monetary support and integration services for those who previously received social benefit, and for the long-term unemployed after unemployment benefit I runs out >> right to needs-tested basic support called "unemployment benefit II" (although analogue to previous social welfare assistance).
- Modification of financing for (basic) welfare support and integration support

¹ This contribution is based on a slide presentation of the speaker. With regard to a consistent documentation of the contributions the contents of the slides were transformed into another textformat.

Responsibility for Financing and Implementation

SGB III (Sozialgesetzbuch III): Employment support in the area of unemployment insurance for unemployed people receiving "unemployment benefit I"

- Financed through insurance contributions (employee, employer)
- Implementation by the Federal Employment Agency (Bundesagentur für Arbeit), divided into 10 regional directorships and 176 local employment agencies
- Currently 1.663.800 unemployed, of which 415.800 (25%) are long-term unemployed: the view that the SGB III only deals with the "newly" unemployed is not (yet) correct, there is still a considerable proportion long-term unemployed
- In total however a sinking number of unemployed expected in this legal framework, particularly amongst long-term unemployed, due to changed controlling (shortened period where unemployment benefit is provided, faster relegation to needs-tested basic support organised in the SGB II)

Legal Framework SGB II

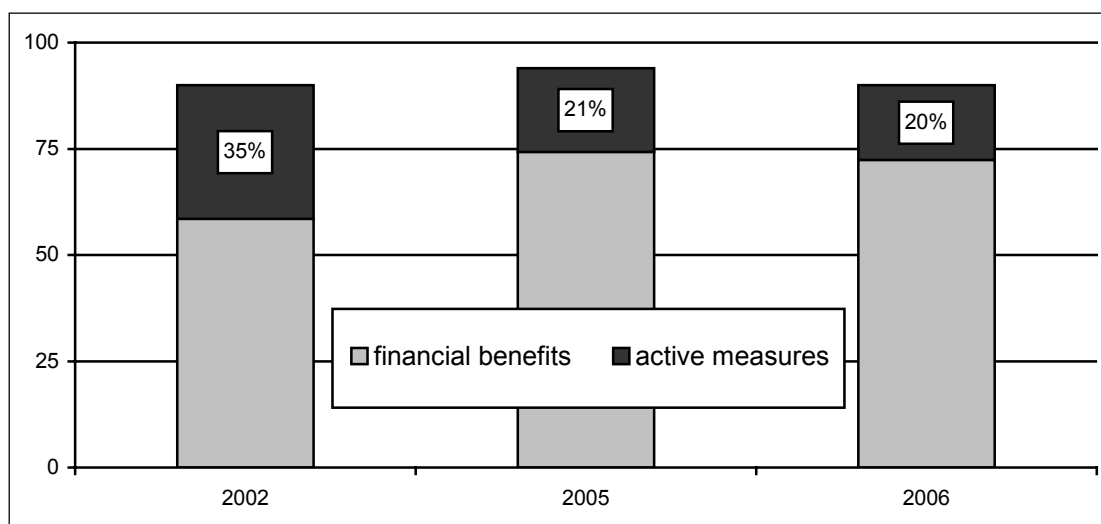
- Tax financed (federal and local)
- Strongly regionalised implementation through 69 recognised communal providers who are alone responsible for implementing the SGB II, and 370 joint work groups (communes and employment agencies) running Job Centers together
- There are currently 2.823.200 people registered as unemployed, and increasing, of which 1.250.200 (44%) long-term unemployed

Current Structure of Measures

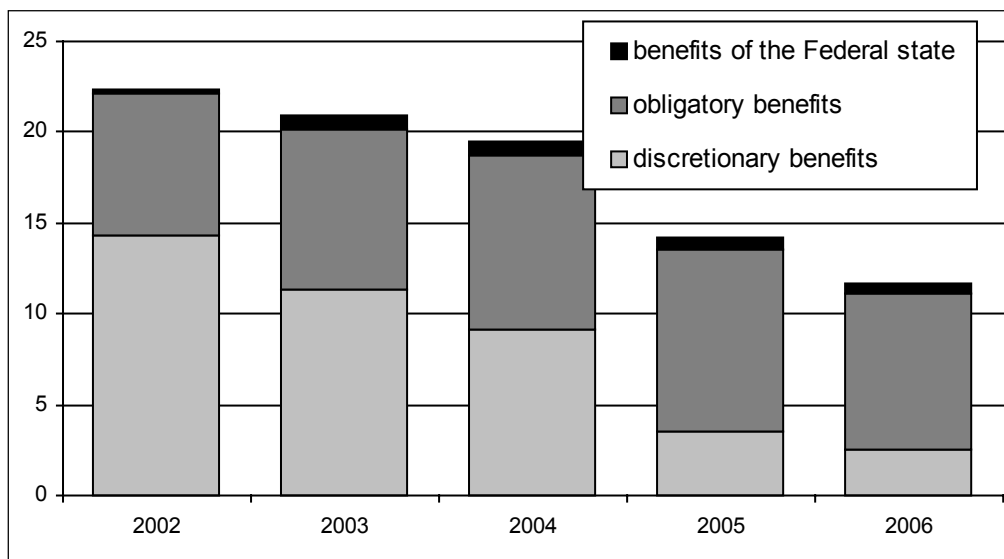
The restructuring of German labour market policy is connected with:

- A reduction in the total amount of active services

Total expenditure by the Federal state, individual states (Länder) and municipalities for active and passive benefits of labour market policies (bil. Euro)



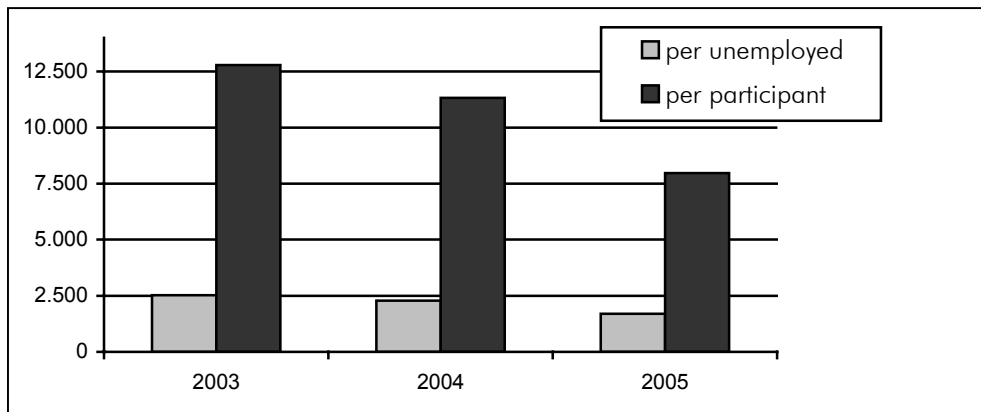
- an altered spectrum of measures in total (SGB III and SGB II), but also in both legal frameworks: new instruments have been introduced, others abolished:
 - ⇒ In the area of publicly subsidised employment there has been a change from subsidized and contracted employment providing social insurance payments to "job opportunities" as legal construct (without wage, instead continued payment of social insurance payments plus an optional additional payment for "increased expenses" of approx. 1Euro per hour; no social insurance payments; no employment contract between provider and participant; obligation to take up such work)
 - ⇒ continuing strong support for youths and people with disabilities, due to legal requirements
 - ⇒ clear growth in the importance of support for start-ups
 - ⇒ clear reduction in professional training
- lower expenditure for active labour market policy in the area of the SGB III
 - ⇒ Under the aspect of regionalisation and decentralisation, it should be noted that a strong reduction can be seen in the discretionary measures for which local providers are responsible. That is, the local agencies have their main emphasis only on implementing the legally required obligatory benefits and measures.



Expenditures following the SGB III for active employment support (in bil. Euro)

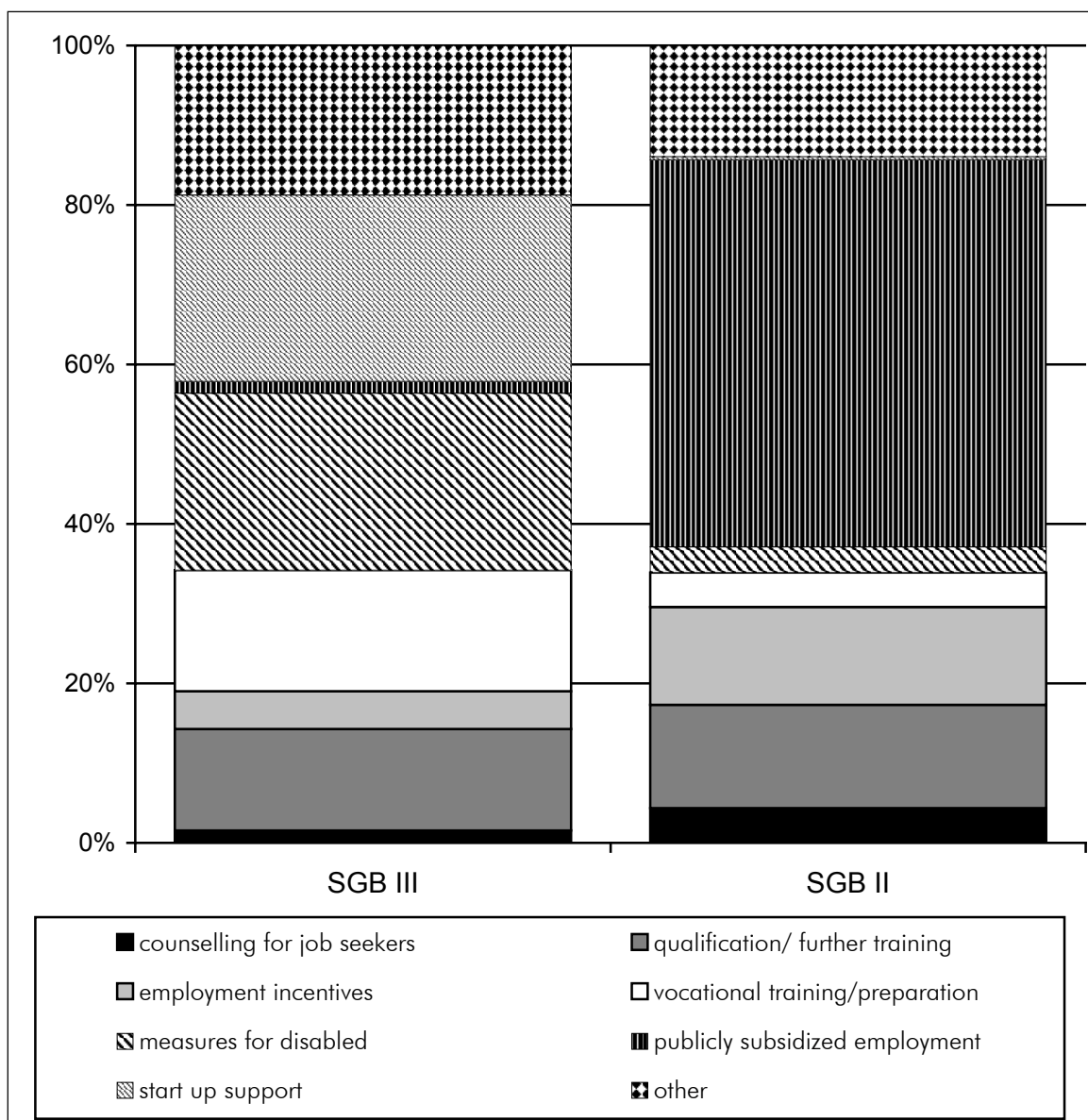
- a reduction in resources spent per head

Average expenditure for integration measures following the SGB III and SGB II per unemployed person or participant (in Euro)



- different emphases in support provided through the SGB III and SGB II

Expenditure on main foci for active labour market policies by legal framework and measure type 2006



- The main emphasis of the SGB II lies in publicly subsidised employment, in particular as "job opportunities" (despite the fact that the law declares these to be of lesser priority than qualifications and training); in the SGB III, i.e. for people receiving unemployment benefit I, there is by contrast almost no publicly subsidised employment.
- The SGB II is considerably less concerned with professional training (i.e. for those who previously received social benefits, and for unemployed people after unemployment benefit I runs out)
- In the area of the SGB II there is almost no support for starting a business, in the SGB III on the other hand a strong increase

From the short response of the Federal Ministry for Employment and Social Affairs to the evaluation results of the Hartz I – III reforms:

" ... (the) one-sidedly economic controlling of the use of instruments through action programmes and differentiation between clients is to be judged critically, from the point of view of avoiding long-term unemployment."

Final Evaluation

- There is a tension between centralisation on the one hand, and regionalisation/communalisation on the other, in both the SGB II and SGB III. The Hartz reforms were justified with a stronger transfer of competencies to the locally responsible providers, and in part local discretion has increased. On the other hand, increasing central control by the Federal Employment Agency over targets for the local agencies can be observed.
- The pace and scope of reform brings with it many risks.
- Evaluations of the SGB III verify current tendencies to creaming.
- Valid statements on creaming processes in the area of the SGB II can not be made at the moment (as these have not been entirely evaluated as yet).
- The concept of case management and its constitutive elements (personal contact person, integration agreements etc.) has not yet been widely adopted.
- The legal construct of a "need partnership" (Bedarfsgemeinschaft) (a large number of unemployed people only receive benefits if they can show need which also depends on the income of the partner), leaves many people who are needy in a labour market policy context, especially women, without access to labour market services if they are not classed as economically needy.

Conclusion: Pretensions and reality of the reforms started in 2002 are far apart – the paradigm of "develop and challenge" is unbalanced, hitting people who are in particular need of support hardest.

Friedrich Schorlemmer 2003: "At the same time, however, it is a duty of society to offer everyone a real chance at such self-realisation, instead of coldly saying: take the risks of life in your own hand! If you can't find a job, become self-employed!"

Active Labour Market Policies – Structures and Developments in Italy²*Dr. Monica Loss, Research Institute Non Profit Organisations, University of Trento, Italy***Labour market situation in Italy***Development of employment and unemployment rates 2000-2005*

Year	Employment rate			Unemployment rate		
	Male	Female	total	Male	Female	Total
2001	64,4	43,2	55,1	7,1	12,2	9,1
2002	68,1	44,2	55,9	6,7	11,5	8,6
2003	70,0	45,1	57,4	6,5	11,3	8,4
2004	69,7	45,2	57,4	6,4	10,5	8,0
2005	69,7	45,3	57,5	6,2	10,1	7,7

This is the recent trend of the Italian labour market situation which according to the Labour Market Ministry (on the basis of the national statistics data - ISTAT) is quite positive. All items have a positive trend, employment rates are increasing, especially if female percentages are considered, although female unemployment rate is still quite high.

Definitive data of 2006 are not available yet. The employment rate of the second trimester of 2006 is 58,9 % (71,1 % male, 45,7 % female). This reinforces the positive trend of the last 5 years. Two aspects can be highlighted:

- ⇒ An over one percentage point of growth of the employment rate of workers beyond 55
- ⇒ Unemployment rates for young people remains still quite high at 20,6% at average level and increases to 34,1% in the Southern regions.

Characteristics of unemployment (2005) show huge territorial differences, the unemployment rate in the south is almost three times higher than in whole Italy.

Unemployment rates 2005 by Age classes in different geographical areas

Age classes	North	Centre	South	Italy
15-24	13,2	21,2	38,6	24,0
25-34	5,0	8,5	20	10,3
35-44	3,2	4,8	10,3	5,6
45-54	2,5	3,6	6,5	3,9
55-64	2,7	2,9	4,9	3,5
Total	4,2	6,4	14,3	7,7

Longterm-unemployment

Nearly the half of all unemployed is longterm unemployed. Particularly the youngest part of the labour force is affected by longterm-unemployment. It affects youths between 15-24 with over 10%

² This contribution is based on a slide presentation of the speaker. With regard to a consistent documentation of the contributions the contents of the slides were transformed into another textformat.

and 12,2 % for young women while the registered unemployment is quite low among older workers (with only 1,8 %).

Longterm-unemployment rates 2005 by Age classes and sexes

Age classes	Male	Female	Total
15-24	9,1	12,2	10,4
25-34	3,7	6,1	4,8
35-54	1,7	3,9	2,6
55-64	1,9	1,6	1,8
Total	2,8	5,1	3,7

Labour market policies

- Labour market policies are recently classified by Services, measures and income-support and not more in active and passive measures
- Recent reforms gave the responsibility for the design and implementation of labour market policies to the local public labour administration

This change answers the need of differentiated employment services instead of former classification of measures aimed at favouring specific target groups, regions or autonomous provinces.

New trends:

- Positive data regarding the labour market (both in employment and unemployment terms)
- Increasing relevance of unemployment benefits
- Increase of incentives for boosting labour demand
- Reduction of measures creating job opportunities (publicly subsidised employment)

Looking at the expenses for labour market policies the trend has driven towards a more strategic approach influenced by policy orientations. In 2000-2005 the covering degree of social assistance have been enlarged. As a consequence there has been an increase in unemployment benefits and at the same time a reduction of those measures previously defined as active labour market policies. Especially very expensive tools like the exemption from social contribution payments for new employment contracts have been cut.

The composition of active labour market policies aiming at employment increase, placement or the improvement of employability of unemployed on the one hand and passive labour market policies to support income on the other hand has changed in favour of the second one which in 2005 reached 57% of the total labour market expenditures.

The background of this new composition is that the reduction of tax relief for disadvantaged areas of the country (Southern regions) was abandoned completely in 2002. The financial resources can now be distributed among other measures. Since then there is an increase of incentives to boost the demand for labour - like incentives for offering apprenticeships to young people or for facilitating employment contracts with long term unemployed. This type of measure constitutes the main share of active labour market policies reaching a percentage of 76%. Subsidies for self-employment and start-up measures have been stabilised at 9% of the total; training and placement measures are around 10%.

Localisation of beneficiaries and destination of resources

The local relevance of different measures is related to the productive structure, the characteristics of employment and normative regulations of the single region or area.

- Apprenticeship incentives has 400.000 beneficiaries in the North, but only 100.000 beneficiaries in the South.
- Incentives to subsidise employment of long term unemployed has 280.000 beneficiaries in the South, 70.000 beneficiaries in the North
- The exemption from social security payments decreased from 200.000 beneficiaries (2001-2003) to only 30.000 in 2005.
- Social helpful jobs are declining to 43.000 beneficiaries (39.000 located in the South, 4.000 in the North)

Besides the reduction of ALMP addressed to disadvantaged areas (South), in the Northern region the crisis of industrial enterprises led towards an increase of policies supporting income of unemployed and pre-retirement. In 2005 main expenses of passive policies are unemployment benefits (60%) and subsidies for mobility (20%).

Active labour market policies for longterm unemployed

The prevalence of measures to support employment compared to other active labour market policy tools has an impact on the struggle against long term unemployment since this category is a main target group of ALMP.

Social security relief:

In 1990 law n. 407 (Financial law) fixed constant incentives (social security payment relief) for enterprises employing workers unemployed for longer than 24 months. In 1997 this relief was extended to enterprises employing young workers who were beneficiaries of benefits.

The amount of social security payment relief depends of the region (in all southern regions it is 100%, in others 50%), the length is 36 months. The exemption from social security payments decreased from 200.000 beneficiaries (2001-2003) to only 30.000 in 2005.

Incentives for hiring longterm-unemployed

The incentive is related to the status in the labour market which is asserted by the local Employment Service. In 2005 the incentives for longterm-unemployed were paid for 350.000 people which absorbs around 15% of the total ALMP budget. Over 80% of jobs supported by this measure are in the South. It is for Italy an unique case that incentives are based only on a subjective request concerning the labour market status no matter if the worker is a beneficiary of the public employment office or which special difficulties he/she has. 15% of the budget corresponds to 1.2 billion of euro. In the North where unemployment rates are lower mainly workers with heavier difficulties are among the beneficiaries, over 65% of them are women and over 40 % are aged workers (older than 40). In the South where unemployment (and mainly long term unemployment) is at high level workers suffer from the "competition" of more employable workers like women and young men.

Effects

The incentives are aimed at favouring long term unemployed. However the use is more like favouring the first access to the labour market. Data show a percentage of 7% workers without previous work experience hired by means of the incentive for longterm-unemployed.

This is due to the fact that the law does not distinguish between unemployed with previous work experience and workers without previous experience who stayed unemployed more than 24 months. Therefore this incentive often favours the first access of younger people to the labour market. This tendency is relevant mainly in the Southern regions where in the last 4 years over 25% of new employment contracts were subsidised by incentives.

Difficulties

The distortion of incentive measures is due to the faulty work on the unemployment register and a faulty functioning of the local Employment Services. So it is common that people are inscribed in this register although they are still in education age (in many areas of the South). Further the law reforming the labour market in Italy attributed a strong role to the local Employment Centres (Centri per l'impiego) but they are still not implemented everywhere. ALMP faces heavy organisational difficulties in organising and managing labour market policies as a whole and in particular to establish and manage the local Employment Centres. In some very advanced regions (within the framework of the EMDELA research we surveyed one – the province of Torino), they are well organised and play the role attributed by law as the main ALMP institution for combating unemployment and social exclusion, but in many others they do not work at all. In the case of Torino, i.e. the principle for running the Centre is the individual management of cases and a casemanagement that allows to cover all needs of the unemployed besides employment problems (social housing and psychological counselling).

Networks of actors and social cooperatives

Besides Employment Centres in Italy many other actors are partners of the public administration for managing and designing ALMPs. In Italy particularly the work integration social cooperative movement is well developed and effective. In many regions such social enterprises are important institutions of ALMP in the field of workintegration of disadvantaged workers (and longterm-unemployed) who are at risk of not only labour market but also social exclusion. Due to the mission and the long experience with activities and projects dealing with disadvantaged workers they gained a high trust of public administrations and therefore they became partners in the design of policies

Conclusion

Findings of the research and the national hearing in the framework of the EMDELA project confirmed that ALMP interventions have to include social cooperatives to be more focused on workintegration tools and on measures supporting income and also have to mobilize additional resources to activate networks. The crucial condition under which active labour market policies are effective for social inclusion is the clear and previous identification of reasons for social exclusion (like for instance longterm unemployment) and the definition of targets of ALMP interventions. All measures can play an inclusive role if they allow to mobilize additional resources in order to activate networks which otherwise would be subdued by a pure application of instruments. This refers to the previous discussion about the requirement of high developed cooperation and networking in order to reach the aim of social inclusion. In Italy networks potentially exist but it needs a real implemen-

tation to obtain an effective integration between the sphere of work integration and social inclusion.

The tendency of policy makers is to solve problems by non-specific interventions avoiding the clear identification of target groups and their needs. In view to broader social inclusion aims then there is the risk that labour market policy is reduced to passive measures. A useful strategy could be to concentrate efforts on the design, development and implementation of local development policies, in order to get the largest view about the needs in the community, about the best integrated set of interventions and to reach the largest involvement of actors and finally the most effective outcomes. Italy unfortunately is still far behind this latter strategy even if policy makers are giving higher attention to this issue.

Active Labour Market Policies – Structures and Developments in the UK

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This paper draws selectively from the UK component of research undertaken in 2006 as part of the four country 'EMDELA' project.

This paper concerns itself with the work integration field in the UK. This paper mainly discusses that part of the UK research which was undertaken at the sub-regional level. Two English cities were examined and interviews held with different actors in each locality: (a) the Job Centre Plus, (b) the Local Authority, (c) not-for-profit organisations engaged in work and training projects, (d) community-based organisations engaged in a wider range of advocacy and support activities – often community centres or 'community anchor' type organisations (Thake 2006). The rhetoric is that there has been a growth in 'horizontal' connections to act on social exclusion issues with a plethora of partnership and collaborative working arrangements (Kendall 2003:59; Stoker 2004; Aiken with Spear 2006). The new Local Government White Paper (Department of Communities and Local Government 2006) emphasises the role of community engagement, partnership arrangements and devolved budgets with voluntary organisations at the local level (NCVO 2006: 2-3). How far is this happening in practice at present in the field of work integration activities? How far is local planning able to take place and what are the dynamics of such arrangements particularly for the socially excluded and third sector organisations?

1. What does Labour Market Policy look like in the UK?

Section summary

Traditionally the UK has had more 'passive' than 'active' policy toward labour market intervention. The UK 'New Deal' policy however provides an example of a more European ('active') approach combined with a USA style ('workfare') approach. The New Deal targets different priority groups with a range of incentives, support and sanctions. New Deal cannot be characterised as a job creation programme but rather as a placement process into jobs market/ training/ voluntary work using a variety of measures.

A 'work first' orientation and an imperative to increase the percentage of those economically active have been drivers. However additional policy drivers around social inclusion have still be seen as important with partnerships and local co-operation becoming the norm for social inclusion work with 'horizontal connections' at local level stressed. Decentralisation (and devolved) power continues to be important which includes the importance of involving the third sector/voluntary sector in policy/decision making/delivery. These factors have been emphasised most recently in the Local Government White Paper (2006). Contracting and attempts to decentralise powers to regional or local level are both important in the UK. There remain questions about the extent to which moving into employment is always a route out of poverty or social exclusion for some groups.

1.1 Passive and active labour market policy

In the UK the traditional tendency was to favour passive, rather than active, labour market approaches (Hill 2003:131). This has meant strategies aiming at improving the efficiency of the market through: improving information for employers and employees; increasing skill levels through training; improving access and mobility by making relocation easier; and using advice services to improve the match of jobs to people. From the 1990s provision was often targeted at particularly disadvantaged unemployed people in deprived neighbourhoods. This was undertaken under City Challenge and then Single Regeneration Budget government programme funding often combined

with European Social Fund monies. There has, however, been a tendency in the last 15 years to develop both more 'active' labour market policies, under the influence of models from mainland Europe (Hill 2003), as well as more 'passive' and conditional approaches to welfare, derived from the United States. This represents perhaps a typical anglo-saxon style compromise. The New Deal programme initiated by the incoming Labour government of 1997 is a notable 'active' approach. However it also represented a new departure in UK welfare state provision towards US style 'welfare to work' scheme in that rights to benefits were made conditional on clients taking up certain work integration programmes (Daguere 2004). While these programmes aim to support people into work by acting as a broker and providing supportive mechanism they are not engaged in actual job creation activity as understood in some EU states.

1.2 Policy drivers for social inclusion and link between work and social exclusion

The policy rationale has frequently been that a major cause of social exclusion was unemployment although there is some recognition now that for the 'working poor' and those facing multiple disadvantage employment is not the only problem (Social Exclusion Unit 2004:1). Child poverty has been a key target of government policy and the approach here has been to devise a system of tax credits for working families. There has also been an increase in child care provision, from a low base by mainland European standards, which has been supported by the government's Sure Start programme funding and delivered by a range of statutory, not-for-profit and partnership bodies. Target groups who have featured disproportionately amongst the unemployed have also been the focus for programmes particularly within New Deal: young people, the over 50s, women with children under 5 years, ethnic minorities, those with low qualifications, people with disabilities, those with multiple social problems (those who are homeless, suffer addictions, or ex-prisoners) or are in households or neighbourhoods where there has been an intergenerational history of poverty and worklessness.

These programmes have been accompanied by other developments which need to be noted. In addition a 'modernising' labour administration has set in place a range of measures to change the governance pattern. There have been decentralising measures which has meant elected assemblies in Scotland and Wales with their own powers but even in the English regions 'devolved Government for the regions' has meant specific responsibilities around strategic planning, regeneration of deprived areas, and employment with budgets and powers which vary according to the region. At the same time 'public service reforms' have explicitly favoured statutory services being contracted out for delivery by not-for-profit (Audit Commission 2005), or even private sector organisations, in a new 'marketised' local environment (Aiken 2006).

1.3 Delivery of Policy: centralisation, decentralisation or contracting out?

This general trend has affected many of those statutory services delivered to unemployed people: particularly around the provision of training and advice and job search. On the whole, the national government sets the overall guideline on the level and intensity of a service that should be provided locally. The relevant government agency in a locality (such as regional Job Centres for job related activities or regional Learning and Skills Councils for training and learning activities) then seeks provider organisations to deliver such a service to unemployed or disadvantaged people to a standard set by government and which will be specified by a contract. In the past voluntary organisations specialising in disabilities such as Shaw Trust (2005), SCOPE and MENCAP have undertaken advice and placement services on such contracts – gaining a set amount of money for each person they successfully place into work. The tendency now is for contracts to be bigger covering a wider geographical area. So for example in 2006 in West Yorkshire the Job Centre awarded the contract for providing the specialist Pathways to Work programme to a voluntary organisation called DISC (Developing Initiatives Supporting Communities). Such an organisation may then in turn further sub-contract parts of the work to other smaller organisations. This does not necessarily affect an

unemployed person's entitlement to such a service – Job Centres will refer the relevant unemployed people to these agencies which have to achieve specified targets and expected outputs.

Since 2005 Local Area Agreements (LAAs) have started. Local Area Agreements seek to '(a) provide intelligent and mature discussion between local and central government, based on a clear framework and shared understanding of national and local priorities (b) improve local performance, by allowing a more flexible use of resources, to achieve better outcomes and devolve responsibility (c) enhance efficiency by rationalising non-mainstream funding and reduce bureaucracy to help local partners to join up and enhance community leadership.' I&DeA (2006). These are agreements made between central and local government to cover local areas and 'aim to achieve local solutions that meet local needs while also contributing to national priorities and the achievement of standards set by central government' (I&DeA 2006). In March 2005 the first 20 LAAs were announced. While these are agreements to create dialogue between central and local government they should seek to provide opportunities for local third sector organisations.

The changed policy environment has emphasised the development of more horizontal connections between those organisations engaged in combating poverty. This can be seen, for example, in cross-cutting initiatives to bring the previously separate arenas of health and care together; partnerships involving different providers of social projects - particularly local government and third sector organisations - and a move from 'reducing poverty' to the more complex idea of 'combating social exclusion' which has implied a wider range of actors being involved in planning services (Kendall 2003:59). This has meant a range of government initiatives: imperatives to develop 'compacts' to agree the principles of the relationship and roles between the municipal and third sector; the growth of joint planning through Local Strategic Partnerships; area initiatives around employment and urban regeneration (including government funded New Deal and Neighbourhood Renewal programmes). In fact Stoker (2004) suggested as many as 5,000 such partnership bodies had emerged in the delivery of public services. More recently the Audit Commission (2005), an official watchdog body, delivered a report explicitly outlining an expanded role for third sector organisations.

Taken together these developments promised to extend further third sector organisations' opportunities to be involved in both policy development and the delivery of welfare services. However the development of Local Strategic Partnerships to arrive at coherent social delivery in a locality, and the operation of local compacts, and since 2006 a Compact Commission, between voluntary and local government illustrate the way apparently similar models function in vastly different ways in different localities (Taylor, Wilkinson and Craig 2001). Third sector organisations and actors may adopt a wide range of roles in a dynamic local network which enable projects to be successful or not but this complexity may go unseen by funders. Overall there is an emergent form of governance characterised by the state (local or national) having a weaker role in delivering services while retaining a strong strategic planning role.

However, decentralisation of mainline services from the national to local state does not necessarily mean that there is a corresponding increase in local discretion or local involvement of citizens in the level of service delivery. The research suggested that Job Centres still held very little room for manoeuvre with core programmes (such as New Deal) as central targets and levels of service to be provided were very firmly set. Indeed such statutory organisations often needed to rely on special programme funding (the Neighbourhood Renewal Fund or European programme money or special pilot funding from the Department of Employment) in order to create and tailor services locally. This is in accordance with the notion that the UK remains one of the most highly centralised states in the EU.

1.4 *The Unemployed & Routes Out of Poverty: tensions between 'work' or 'inclusion' first?*

Falling unemployment has benefited many but others have not gained from an equal share of the country's wealth. This underlines findings from the UK National Action Plan 2003-5 (2005), Social Exclusion Unit's (2004) and New Deal progress (DWP 2004:2) concerning pockets where poverty and exclusion remain. These consist of particular groups: disabled people, lone parents, ethnic minorities, people over 50, or with low qualifications and those facing multiple disadvantage. There is particularly high rate in the UK of households where no-one works (NAP 2005:8). Meanwhile skill shortages persist at level 2 (GCSE A- C in UK terms), and there are also particular geographic regions where unemployment persists with even bigger differences within regions. The unemployment rate in the most deprived wards (small areas with a few thousand people) in England can be up to four times higher than the average (NAP 2005:15). It is still seen that the best route out of poverty for working people is gaining a job and the record high employment rate is seen as important in this endeavour (NAP 2005:4:6). However demographically there is a growth of the groups of the population that are at greater risk of social exclusion – lone parents and working age adults from Pakistani or Bangladeshi backgrounds being notable examples here (NAP 2005: 11;12) and their employment rates tend to be lower than the median. Women in most age groups are more represented in the lower income groups with lower employment rates but this is particularly true for those with young children or who are single parents (NAP 2005:9).

The anti-poverty strategy has been seen to be around developing a strong economy and maintaining a flexible deregulated labour market and developing quality and accessible services (NAP 2005:19). Despite the introduction of a minimum wage in 1999, the UK has one of the most highly de-regulated labour markets in the developed world, after the USA. There has, however, been a steadily falling rate of unemployment over the last 10 years and a rise in public sector jobs. Active labour market policies via New Deal programmes, tax benefit reform to ensure the avoidance of the poverty trap for low earners, and developing the skill base are seen as crucial activities. There are particular measures focussed on those with special social needs, for example ethnic minorities, those with housing needs, or those teenagers with pregnancies, and people with addictions (NAP 2005: 21). Mobilising a range of professional agencies, municipalities and voluntary bodies to build participation is taken to be an important part of the delivery strategy (NAP 2005:26).

The extent to which employment is the route out of poverty remains a policy tension. The Department for Employment tends to emphasise this 'work first' direction strongly. Other departments, such as the Department for Education and Skills, tend to argue for a broader set of needs to be addressed for people to move out of poverty. 'The working poor' remain an active debating point in the UK and recent research commissioned by the Joseph Rowntree Foundation on the situation in Northern Ireland (Kenway, MacInnes, Kelly, Palmer 2006) argues that low wages mean that the poverty rate has not fallen for working adults while amongst other groups, such as pensioners, the poverty rate has declined. In addition, there remains in any case a hard core of unemployment at around 10% for the under 25s.

2. Organisational actors involved in labour market policy

Section summary

There are a range of organisational actors involved in delivering labour market policy including the statutory sector at national, regional and municipal level; and third sector organisations including both those engaged directly with work integration and also those who play some role in this alongside broader advocacy work.

2.1 *Role of Job Centres*

It is important to realise, from a mainland Europe perspective, that the New Deal programmes managed by Job Centres Plus are not themselves creating jobs. These programmes aim to support people into work via a variety of tools and processes but are not engaged in job creation activity. They act as a broker between the unemployed client and the job and training market, meanwhile holding access to benefit sanctions in the case of New Deal for under 25s. Wider social exclusion needs around childcare, addictions, benefit advice or 'job shops' would largely be provided by other agencies – even if the Job Centre Plus funded such activities in certain cases.

In addition the Job Centres hold very little discretionary funds to engage in partnership or pilot work locally. Even where such small funds exist it might amount to less than £80,000 (Euro116,000) per year for an initiative across a whole city on a one-off basis. In order to undertake any development programme they need to form alliances with other statutory or third sector agencies to gain funds. So, although they administer a 'core programme' on behalf of national government they do not strictly speaking have much local discretion. There is scope for some staff to network and undertake partnership work and there is much evidence of them engaged energetically in these processes. Nevertheless there is little flexibility in core budgets. In some cases there have been creative local solutions – being able to offer match funding in kind for partnership projects. In other cases they have been able to undertake small pilot projects. However, even in the case of offering contracts to providers of advice or support services, they can exercise relatively little control as they are squeezed to take on a few large providers. It is these providers who may then be able to offer a range of smaller providers opportunities to undertake sub-contracting work. Alongside this is a central government imperative for 'efficiency savings' resulting in staff reductions and a move to a less personalised contact with the customer – with an emphasis on directing them to touch screens, or web-based resources. Personal Advisors within the Job Centres could be seeing as many 160 customers per month with contact time reducing to 20 minutes per person. Some types of Advisor do not have in-depth training and may face difficulties in having the experience to advise very disadvantaged people. At the same time staff seemed keen to have a more flexible budget to try out creative ideas they could envisage through their understanding of the local or regional job market. It is perhaps not surprising that overall staff morale has been found to be getting lower year on year.

2.2 *Role of Local Municipalities*

Local authorities appeared to have more room to manoeuvre than Job Centres yet they had a diminishing role formally in employment and training initiatives. They could adopt a strategic role but as they had less to bring to the table their role in negotiations could at times appear weaker. For those that wanted to engage actively in Labour Market issues there seemed to be a threefold approach. Firstly, to become active in strategic initiatives in their town with other statutory bodies with the aim of gaining collective resources; exerting pressures on new urban developments for local jobs or training; acting to lever in money opportunistically; developing partnerships on training and skills with others to harness existing expertise in common directions. Secondly, to bid for resources with statutory and third sector organisations from special programme monies available from charitable, regional, central government, or European sources. Thirdly, to consider their own employment potential as an organisation and to devise entry level programmes for lower skilled posts for local people. A variant of this third approach, not part of this study (See Aiken 2006), is where local authorities adopt special procurement processes for their own purchasing to favour organisations working for the public benefit, for example on social inclusion needs, with the aim of building the local social economy.

Aside from these creative strategies local authorities had little formal funds, and may have had no formal policy, for local labour market policy, in the sense understood in mainland Europe. How-

ever such policy imperatives could be discerned in parts of other policies, for example, around skills and training, local urban development. There seemed little flexibility in mainstream funds if local needs did not fit national targets.

2.3 *Role of Work Integration Organisations*

In the third sector small local organisations engaged with work integration appeared to be undertaking important and much needed activity around disadvantaged people and work but were struggling to gain funds to do this. Funding pressures on work integration organisations operated in a less stark way but these organisations seem to face similar pressure – they would engage with disadvantaged people that other organisations might not take, but would not routinely have the capacity managerially to supervise the *most* disadvantaged: they had business contracts to fulfil and could not gain sufficient subsidy to afford to lose much productivity. Job Centres were keen to send unemployed people to them and the local authority were often active around working with them, nevertheless there was a sense that in national policy terms their important specialist role was currently neglected. They found funding regimes not flexible to local circumstances even though in practise, they and other statutory and third sector agencies, found creative ways to ‘bend’ programmes to local needs.

2.4 *Role of Community-based organisations*

Community based organisations tended to have broader aims than work integration organisations, and perhaps for this reason appeared to be more ‘courted’ in a wider range of partnerships and perhaps had more flexibility in which funding sources they could utilise. It should be pointed out for a mainland European audience, the ‘community based’ organisations, considered here as advocacy organisations, were not small volunteer only campaign and advocacy groups, but were ‘community anchors’ which might own a building, employ at least 20 (or up to 200 staff), and have multiple community orientated projects running from their premises (See Community Alliance (2007) and Thake (2006).

It appeared that in these organisations it was possible for the national picture to be ‘put together’ with a mixture of services (addiction advice, childcare, informal learning or volunteering, benefits advice) provided by them or partner agencies located on site or nearby and with a network to link them to work integration or training providers. These kinds of organisations had some independence to voice local concerns and could provide progression pathways for more disadvantaged people. Nevertheless their funding was mostly ‘short term project’ funding with little guaranteed core money.

3. Measures & activities for ALMP and how do they work?

Section summary

There are a range of core measures delivered by Job Centres or delivered on a contracted out basis by other providers including larger regional organisations (sometimes private sector) in a trend that seems set to develop further following the Freud Report (2007). There are also a variety of special ‘targeted’ programmes (eg European programmes; Neighbourhood Renewal, Employment Zones which have been bid for by various statutory & 3rd Sector partners) and a range of strategic initiatives to lever in jobs/training (such as Skills Consortia, or plans to gain advantages from new city constructions. There were tendencies for unemployed people to be ‘creamed’, ‘churned’ or ‘evaporated’ under the logic of programme funding remain.

3.1 *Measures and activities*

The New Deal programmes introduced in 1998 is composed of several strands targeted at different sub-sets of the unemployed. The New Deal for young people, the biggest programme, has been aimed at those between 18 – 24 years claiming Job Seeker's Allowance benefit for 6 months. There are also New Deal programmes for other groups. The New Deal programmes offer differing activation methods or 'menu' items with differing degrees of compulsion depending on the specifics of each programme. They range from help in searching for jobs; motivational assistance; and attending to employability skills; to directing clients to skills training that meets local labour market needs; wage subsidies as incentives for employers; work trials; special support for those with health or multiple disadvantage.

These sorts of measures can be seen as a universally available or 'core programme' administered by Job Centres. Special measures for unemployed people may also exist in some other geographic areas. These might be delivered by other programme funds (such as Neighbourhood Renewal Funds for particularly deprived areas); or where there are voluntary sector organisations providing services (such as assistance with addictions) which might benefit unemployed alongside other groups; or where there are incentives for training programmes funded by Learning and Skills Councils. In effect we cannot say that services provided via Job Centre funds are the only supportive services for the unemployed.

3.2 *Mechanisms and organisational actors involved*

The New Deal programme operates initially through the local labour office, which was developed to take on the New Deal new role and re-titled 'Job Centre Plus'. This is essentially an agent of national government although it is encouraged to make lateral links with private, voluntary and public sector partners in its locality. Not-for-profit agencies were seen as explicit agents or 'partners' in delivering some of the menu of services. They have had a particular role in offering advice services, work placements or work integration programmes and have been seen as important in helping tackle concentrations of unemployed people who face particular disadvantage. In some cases programmes like this were taken advantage of by quite large scale work integration organisations such as Intermediate Labour Market not-for-profits offering training and work around typically recycling old consumer goods such Create in Liverpool or Enprove in Mansfield (Spear and Aiken 2003) however mostly there was a smaller number of places offered with more specialised agencies (such as Springboard in Dorking). At that time there were over 2,000 providers cited as having contracts with Job Centre plus from private and not-for-profit sectors (DWP 2004: 36).

We can expect a larger number of organisational players to be involved in advisory or partnership roles while not actually engaging for contractual reasons. The kinds of partners would include government departments such as Department of Health, Home Office, Department of Trade and Industry, National Assembly for Wales, Scottish Executive, Office of the Deputy Prime Minister. There were also Regional and local development agencies, local authorities, Learning and Skills Council; and voluntary and community organisations. Typical national voluntary sector providers would include national charities such as MENCAP, Scope and Shaw Trust who work with people with mental or physical disabilities or learning difficulties (Shaw Trust 2005). In addition smaller locally-based not-for-profit organisations took up the programme such as Necta in Nottingham (Spear and Aiken 2003). Increasingly larger quasi-government or public sector 'spin-off' companies and hybrids (Evers 2005) as well as private sector training organisations are gaining large contracts with this work (see Aiken 2007, Davies 2006) in a trend that seems set to develop further under the government commissioned Freud Report (2007) into work and training provision for the disadvantaged.

3.3 *Social inclusion needs overlooked?*

There is always the danger that the wider social inclusion needs of highly disadvantaged people might be overlooked – with ‘creaming’ (taking more job ready people in order to meet contractual targets of given ‘outputs’ of people into jobs), ‘churning’ (recycling the same people through programmes but whom never gain a stable job) and ‘evaporating’ (my term for those people, particularly the young, who under pressure to join a programme or lose benefit, simply disappear from the system and find ways to survive somehow – some of these are referred to as NEET – Not in Employment Education or Training).

In the case of creaming, a subtle, or not so subtle, coercion may be at work in shifting young unemployed from the count of claimants temporarily. It is possible they simply take a break from benefit and move into low paid work or activities in the informal economy or positions they are unable to sustain without deeper support. The pressure towards ‘creaming’ has been a perverse effect at times for not-for-profit providers who originally had broader social inclusion goals (Spear and Aiken 2003; Aiken and Bode 2003). This has been acknowledged officially to some extent when ‘simplified contractual arrangements’ and ‘greater flexibility and trust’ are cited as necessary to make contractual arrangements work more effectively for clients in the future (DWP 1994: 36). The link between social inclusion and employment in New Deal is clearly made at national policy level, most notably in the UK National Action Plan although this is neither a pivotal report on the policy agenda nor in the work of the Government’s Social Inclusion Unit. At local level while this link is cited as important by voluntary sector actors the pragmatics of programme management and funding demands have sometimes dominated in practise.

The most disadvantaged people face the greatest problems in gaining access to the labour market. Within Job Centres there have been pressures on Advisors in particular, towards dealing with the less disadvantaged in order to meet tough performance criteria for getting people into jobs. Some disadvantaged could benefit from the semi-sheltered environment of a work integration organisation – if they were in a locality where such an initiative existed. But for the most disadvantaged they might be fortunate in finding an active community based organisation, or Community Anchor, where they could gain access to more informal activities: volunteering, informal learning, associating in a community café, so they might find a pathway back into social inclusion and eventually work. A partnership project around skills or planning gain from a large urban development might offer a route into inclusion. However, much of this depends on the dynamics of the local social economy, municipality and Job Centre.

4. Active labour policies: to what extent is policy determined by local actors?

Section summary

The pattern for local organisations has been that they have little room for local discretion in the design or implementation of core programmes. Centralised targets from Job Centres (Labour market office) and Learning and Skills Councils which are passed down to funding targeted at third sector organisations. Local municipalities have little or no budget for work integration work but may use networks and creative partnerships to undertake strategic work like regeneration/ new construction projects, procurement policies, their own employment policies. Third sector organisations sometimes find ways to mix cocktails of funding to put programmes together at local level around work, training and social inclusion.

4.1 *Local level decisions?*

The approach until 2004 was largely informed by a command and control structure between the national and local government agencies dominated by targets and outputs which was seen as a necessary part of the early stage of establishing the programme. However a more devolved role for Job Centres Plus was encouraged from this point with both opportunities (greater flexibility to meet a new outcomes focussed approach) and threats (greater local level responsibility to meet these outcomes in practise). Local level horizontal connections between the Job Centres Plus and other public and private agencies was to be developed with a tight focus on labour market factors. Although local authorities may now engage in more 'horizontal' style policy making than 10 years ago they now have little if any actual funds to place directly into work integration activities (see 2.2 above).

The nature of the relation with not-for-profits was, however, multi-faceted and it was dominated by them being seen as providers who would deliver services to the most disadvantaged. The policy was to ensure there were sufficient providers and that they would be of sufficient quality to deliver. In this sense it was seen that these agencies needed to have their capacity built to do the job (DWP 2004:37). Nevertheless the policy encourages multi-agency working albeit with a narrow jobs and employment focus. It is likely therefore that different practise has emerged in a variety of settings dependent on local actors: in some cases a purely contractual relation and elsewhere a more partnership approach. In research undertaken in 2002 evidence was found of co-operative relations between a range of local statutory and not-for-profit agencies in Nottingham to develop local programmes (Spear and Aiken 2003). In this case a contracting not-for-profit was involved within these policy discussions which meant at times it was placed in a hierarchical position (the terms of the programme could not be easily influenced as they were centrally determined) and at other times in relation to policy and sharing expertise it was in a partnership role. In that research it was found that local organisations could gain quite high access to national policy making forums (Childcare Works, Necta, ECT and Furniture Resource Centre being notable examples).

The design of work integration programmes has not largely taken place at local level – the programme structures of New Deal have been quite fixed. However how these are utilised at local level by not-for-profit and municipal actors and local partnerships has provided scope for innovation. This probably has less to do with New Deal and more to do with an environment of not-for-profit organisations and municipal entities having a history of creatively accessing national and European funding for projects which may have already existed at local level (See 2.4 above). There is little firm evidence at present on the way (modest) decentralisation of such active labour market programmes is affecting operations differently in England.

The broader partnership approach – particularly Local Strategic Partnerships in towns and at sub-regional level – have brought together many providers and local policy makers across the broad welfare services delivery of which work integration is just one part. The experience of partnerships by not-for-profits has however not always been a positive experience for not-for-profits with the domination of more powerful actors prevalent (Lewis 2005).

5. Case management/advisors

Section summary

The role of personal advisors has been largely focussed on getting people into work. Within Job Centres this has rarely been a highly professional role and sometimes the role is contracted out from labour office to private/third sector (eg disability) organisations for more specialised roles. People in this role within Job Centres face tough targets, have a high client load to place in short periods and there is a high staff turnover.

5.1 *Profiling within New Deal programmes*

An important part of all the New Deal programmes is the profiling undertaken by personal advisors to the unemployed person with the aim of assisting the person into an unsubsidised job, improve their employability or move them onto one of the four New Deal options. The skill of advisors has been acknowledged as a significant part of the process. They were given enhanced flexibility and discretion as from 2004, a process that was seen as requiring a 'more personalised, intensive attention to individuals' needs and a more flexible, tailored and timely response to those needs' (DWP 2004:31). They were also now asked to develop skills in developing relations with partner organisations. The focus was mainly to be on getting the unemployed person back into work: so advisors would gain more information on the labour market, develop customised packages with employers and work with agencies like the Learning and Skills Council and Business Link to ensure they were delivering appropriate training and advice in relation to local skills shortages. The overall aim was 'to create a virtuous circle of local labour market demand, training to match, and Jobcentre Plus clients who also meet employers' requirements' (DWP 2004:31).

Personal Advisors have been reported as having some success on the Pathfinders programme with clients being satisfied with the service they received (Policy Studies Institute 2003) and in early reviews of lone parents on New Deal (Lewis et al 2002?). Within the Job Centres there has been a pattern of efficiency savings, staff reductions and a move to telephone and web-based methods of providing advice since 2005 all of which has had an effect in lowering staff morale (Select Committee on Work and Pensions, March 2006: 233). Personal Advisors in Job Centres conduct around 25 – 35 interviews per week of varying lengths but 'JobCentre Plus does not currently hold data on caseload sizes' (Select Committee on Work and Pensions, March 2006: 241). Nevertheless benchmarks for 2006/7 were under development which would suggest for Advisors for Job Seeker Allowance, Incapacity Benefit and Lone Parents, the optimum caseload size should be no more than 30 – 40 per week with a caseload turnover (measured as clients leaving the register) of around 2 persons per week. Evidence was submitted that Advisors were having to hold 'more and shorter interviews with the time allocated having been reduced from 40 to 30 or 20 minutes' per client, that their room for using discretion was decreasing, and that they might not always have the experience to deal with the most disadvantaged clients with multiple needs (Select Committee on Work and Pensions, March 2006: 242; 251; 249).

In some cases the advisors role has been subcontracted out to non-statutory providers – this has been the case with some of the work around disability where national not-for-profits specialist in this field, such as Shaw Trust, have successfully tendered for the work. They receive funds on contract relevant to the numbers who gain unsubsidised jobs and/or who complete various stages of the process within a target driven managerial approach. Large organisations such as WorkDirections, Tomorrow's People also take on contracted work to undertake the more in-depth Personal Advisor's role (Stolk, Rubin & Grant 2006).

The emphasis of New Deal is on routes into work – a 'work first' approach – and where strategic work with partners is undertaken this is also focussed on jobs and training to match local employ-

ment conditions. An Accord between the Department for Work and Pensions, Jobcentre Plus and the Local Government Association commits them to jointly 'working together more strategically to increase employment rates and remove barriers' (DWP 2004: 36). In this sense it seems that by omission the social inclusion and empowerment needs of excluded people are downplayed and subcontracted to other agencies or not-for-profit providers.

6. Role of Civil Society Organisations

Section summary

Some specific third sector 'work integration organisations' mix social exclusion funding with providing productive work for unemployed people but funding is tough. Some community centres ('community anchors') do multiple activities with disadvantaged people – not just 'work first' - and offer progression routes for highly disadvantaged people putting training, progression & social integration together locally. There is some history in the third sector of both of these kinds of engagement with people without work but the funding environment is tending to increasingly large regional contracts which makes it hard for them to bid.

6.1 *Recent examples of third sector engagement*

Not-for-profit organisations have maintained their 'freedom' to select funds to engage in social inclusion work however this must largely be undertaken within the framework of national policy tied to programme funding. With the impending end of European Social Fund programme funds to areas of industrial decline, local actors are seeking other sources. The mixing of social programme funds from different sources to provide a flexible service is something pioneered by organisations like Childcare Works – a social enterprise programme initiated by a not-for-profit in Glasgow. Here social inclusion and work integration were combined in a programme which aimed to train disadvantaged women in childcare skills and at the same time increase provision of childcare in the area. In an expanding field they can draw in funds from a variety of sources making use of over a dozen different funding streams from city, region, Scottish, UK and European funding for different elements of the training and work programme (Community Business Scotland 2003). They can gain some degree of institutional freedom in how they move individuals across boundaries within the programme: they are not a 'one programme organisation' and can therefore mitigate some of the 'creaming' and target orientated approach of those in receipt of small funds from one programme. Nevertheless this approach has involved them in high transaction costs in investigating and managing so many income streams.

A different approach to funding has been developed through the social enterprise model whereby a not-for-profit aims to capitalise on a trading stream to generate funds and thus operate outside, or partially outside, public sector income. This has been undertaken by FRC in Liverpool and Create in the same town: using trainees to undertake productive work alongside a training provision for the trainees. This provides freedom from public sector managerialism nevertheless it is probably only effective where trainees are not far from the labour market and can quickly become competent and enable the organisation to remain competitive. Such organisations tend to operate in niche markets such as recycling or refurbishment (Spear and Aiken 2004). There are examples too of where local authorities have set up 'arms length' subsidiaries to undertake regeneration work including employment and training elements using a mixture of public funds (eg Renaisi in East London).

The important issues here may turn out to be twofold: first to what extent is there flexible local decentralisation that is not 'backdoor centralism' where centrally determined outputs or outcomes in fact give little room for local decision making in practice. Secondly, and beyond the scope of this

paper, where there is an ability for important decisions to be taken locally to what extent does this flexibility weaken a sense of universal service and does this matter? If welfare services around employment and social inclusion in Liverpool are significantly different from those in East London due to the impact of local actors do we end up with a service that is locally tailored or merely idiosyncratic?

6.2 Broader social inclusion work of third sector organizations squeezed

The New Deal programme was essentially orientated to a 'work first' approach. This means that wider social empowerment work is squeezed within the programme funding and there is little acknowledgement even at policy level of this role. It is implicitly noted that there are 'voluntary sector providers...whom we rely on to deliver services to the most disadvantaged people' (DWP 2004:37). The provision of social inclusion work is not however generally funded within the 'back to work' programmes and so this work is not explicitly recognised in the narrow focus of the work programme. The voluntary or private sector organisations that are under contract by the Job Centres to offer advice and placement services to disadvantaged groups *in order to get them into work*, are considered, it is suggested here, in this part of their work to be *predominately* operating under the auspices of the target focussed programme logic of a 'work first' funding regime. This can be the case even if they may be organisations – such as Shaw Trust or Scope – that do other work that is aimed at empowerment. Such broader social inclusion work is rarely funded by the Job Centre. In addition even the specialist work integration organisations in the third sector (whereby unemployed people are offered low skilled work and training around typically recycling, gardening etc.) are unlikely to receive funds specifically for social inclusion work. Where this is provided by such third sector organisations it comes from other funding sources which may offer, say, an independent benefits advice service, an addiction counselling service. These are not usually funded directly by the Job Centre programmes. In some cases Job Centres may refer people to agencies who deal with such issues – but these are not seen as part of the work of Job Centres. Of course, unemployed people may access certain statutory services (for example the health service) in the normal way but this is not *because* they are unemployed. The programme focus is on fast placement into the workforce. This may have some benefit where workers are close to the labour market. However the degree of 'churn' whereby large numbers of young people simply return to the queue at a later date suggests that work integration may be too narrow a focus.

7. Conclusion

Section summary

Mixing social inclusion with labour market policy has been challenging in UK 'work first' orientation. There are still high central targets despite decentralisation attempts. Despite the policy framework local actors in state and third sector do creative and active work on labour market policy. Some of these issues can be understood by examining the labour market policy and delivery as 'model or muddle' using the lens of governance models (Newman 2001).

7.1 Governance

Partnership arrangements at a local level, often involving special programme funds, between statutory but also civil society actors form the basis of much work around labour market issues. Contracting agreements and performance indicator obligations then tend to solidify the aims and outputs of such arrangements. Outputs themselves are frequently seen as crude counting of numbers rather than an examination of quality outcomes. The extent to which such partnerships are directly accountable to communities in a formal democratic sense is questionable but is not tackled further here. Overall local labour market policy is not located in one place but is likely to be diffused or

integrated within other policy and development areas (around regeneration, crime, health, training etc) amongst a variety of local and regional agencies.

Newman (2001) discusses how governance can be characterised in different ways and this can help our thinking on the extent and kind of local decentralisation taking place. She talks of approaches which are (a) hierarchical (emphasising the bureaucratic with standardisation and accountability features); (b) self-governance (partnership approaches involving active citizens); (c) rational goal approach (managerialist emphasising target and measures); (d) open systems (where there is a looser network system of interaction); and approaches based on (e) markets which might be either strictly competitive or more quasi markets in operation. The unsurprisingly messy pattern of the localities examined illustrates a mixture of these different models in operation at different times. The national target culture is captured well by the hierarchical approach and operationalised by the rational goal approach and to some extent quasi-markets. Quasi-markets are also used at the regional and city level in approaches which at time involve attempts of both open systems and self governance. This illustrates some of the complexity negotiated by local actors in the cases examined.

7.2 Integration of disadvantaged people

Integration of the socially excluded seems characterised, at a statutory level, less through individualised routes, despite the attempts at developing personalised approaches via Advisors at Job Centres. The emphasis has been on strategic approaches to stimulating the job market; taking advantage opportunistically of new urban developments; creating skills and training partnerships to benefit from these and to bid for funds either from regional, national or European sources. As would be expected civil society organisations strove to take a more individual and holistic approach with groups and individuals they worked with. Nevertheless work integration organisations tended to be highly squeezed to be productive and had little spare capacity to devote to the fuller support roles they could and wanted to perform. Special programme monies - regeneration funds and more recently Neighbourhood Renewal Funds - were seen as helpful by all agencies and sometimes these provided the only 'glue' at local level to stitch the initiatives together. There are a range of competing tensions about the 'local' with some statutory agencies moving to a regional base – others operating on a more city wide basis – which at times present confusions in roles and can increase the transaction costs of liaison.

7.3 Social exclusion

Social exclusion issues may not always be included in individual contracts for third sector or private providers explicitly – particularly around work integration organisations – however there is often an expectation that other such support services exist and may be provided by other agencies – either third sector or statutory. The danger here is that they are not provided in appropriate locations or are missed out altogether. Examples of some integrated provision (benefit advice, child care, volunteering) can be found in some of the community based (community anchor) organisations although at times this seems less by policy design than by individual lobbying.

Target groups are identified by most agencies for example young people (especially the NEETs – those young people not in Education Employment or Training), Black and Minority Ethnic groups, parents with young children, people with disabilities, ex-offenders and people with addictions). Some fit into certain categories that are priorities for funding or progression routes but some do not. This can cause difficulties, for example to work integration or community based organisations, when they need to meet complex targets set nationally and filtered down to funding criteria which do not fit local circumstances well.

Progression routes for socially excluded people are seen to be important – volunteering was seen as a particularly important option for those distant to the labour market across the range of organisations engaged in the research. The quality of programmes – short term or otherwise – rather than the quantity of people passing through was seen as an important question by third sector organisations. For those clients facing multiple disadvantage integration is not easy and requires more attention and time than many programmes permit. It was well acknowledged that in some programmes a periodic ‘churn’ and ‘recycling’ of clients back through the same programmes takes place. In some cases third sector organisations were seeing people disappear from the register for a while, disconnecting themselves from benefits but not moving into work. This tended to be exacerbated by a tendency to try to get hard to reach groups directly and rapidly jobs.

7.4 Co-operation and networking: relevance and functions of civil society networks

Civil society organisations and networks are acknowledged as important within labour market issues and are invited to be involved. However, involvement in many forums itself requires high transaction cost for small agencies and the extent to which this acknowledgement is always realised in concrete terms around funding is more contentious particularly for work integration organisations. At times there has been a sense that some voluntary organisations are over-represented and may be able to hold unwarranted sway over decisions but based on quite small and particular constituencies and good lobbying skills. Nevertheless a wide range of forums, partnerships and other horizontal links exist at local level which offer opportunities for civil society engagement and sometimes influence. Many of these arrangements are driven by funding considerations and reporting is based largely on targets and funding. Some of the partnership arrangements were seen to be dogged by unequal relations, by third sector organisations, but nevertheless there were good reports of the effects of partnership and networking activities. The unstable nature of contract funded was more of a worry for third sector organisations. Some of the statutory organisations reflected that the number and roles of partnerships needed some rationalising as there were sometimes too many covering similar ground.

Contracting arrangements with the bundling of services into larger units was turning local third sector organisations increasingly into distant sub-contractors of standardised national for or not-for-profit organisations.

7.5 Local decentralisation: degrees of freedom

There is very little local flexibility and freedom, particularly for statutory agencies, around budgets. Job Centre Plus appear to have the least flexibility while local authorities have a degree more. Nevertheless, the pattern is one of using special programme funds – where these exist – to undertake creative new projects usually in partnership with other agencies. While this could be seen to have some logic – forcing a co-operation and synergy at a local level between agencies – partnership itself was not necessarily funded or always on a permanent basis. There were signs that in some cases these were expedient arrangements for funding purposes, a marriage of convenience, rather than long term relationship. Overall, all agencies complained about a lack of flexibility to meet local needs with national targets driving the agenda. The inflexibility of these structures and arrangements tended to be experienced by work integration organisations and community based agencies as well – although the latter may, ironically and despite insecure funding, have at times had more scope to manoeuvre than some of the statutory agencies.

7.6 Central targets or local planning: model or muddle?

The outlook for policy making and flexibility for local statutory and third sector organisations to devise initiatives in the field of work and training programmes integrated with social inclusion elements appears pessimistic from this account. In the light of the Local Government White Paper

(Department for Communities and Local Government 2006) some of the dynamics and dilemmas discussed here may be relevant to other fields active on social inclusion. The mixture of governance models (Newman 2001) actors must negotiate at local level shows the complexity of local decentralisation in practice. The research appears to typify an Anglo-Saxon compromise: apparent decentralisation but alongside nationally defined targets which act as constraints. Partnerships and co-operative activities take place widely but in many cases key partners are not resourced to bring budgets to the table. The statutory agencies responsible for work, training and social inclusion at a local level re-organised to regional remits. Contracts are bundled to regional or national companies for reasons of efficiency or are narrowly specified to exclude local organisations using their special expertise. Social inclusion needs are only partially integrated into the heart of programmes around work and training. However, despite this 'muddle' there are perversely locations such as Nottingham and Bristol where local actors in organisations work hard to develop creative 'models' to address the mixed issues of employment, training and social inclusion strategies through local co-operation.

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Active Labour Market Policies in Finland

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The Finnish labour market policies are a combination of two main lines of benefits and services:

Passive unemployment benefits aiming to compensate economical losses caused by unemployment and to secure the financial opportunities of unemployed to search for employment. The main benefits are unemployment insurance benefits and tax-supported unemployment benefits.

Active measures are aiming for information on employment opportunities to support the search for work and the improvement of labour market related capabilities of the job seekers (unemployed). Active labour market measures comprise employment services offered by the local employment authorities to all unemployed and active employment policy measures offered to specific target groups of unemployed. Unemployment benefits are also part of active labour market policies since they are used to support the livelihood of those unemployed who take part in adult education and/or certain other activating measures.

In principle active labour market programs are aiming to increase the employability of unemployed and to fit demand and supply of labour force. In practice labour market policy comprises three sectors: 1) public labour agencies which promote placement into jobs 2) labour market training and 3) subsidised employment.

Active labour market policy measures are in principle for all unemployed persons, special target groups are long-term unemployed as well as young unemployed and old unemployed. Persons with social, mental or physical disabilities are also among those who participate in specific measures.

The responsibility for the practical implementation of active labour market policy measures is largely in the hands of local actors. The introduction of new legislation with the obligation of municipalities to finance and implement employment policies has considerably increased the influence of local actors on the design of ALMP. The delivery of measures are purchased from private or third sector organisations.

Active labour market measures in Finland are:

- Apprenticeship for unemployed
- Traineeship
- Self-motivated study by unemployed
- Job rotation
- Placement in part-time work
- Start-up grants
- Placement in public or private sector subsidized work
- Combined subsidy
- Rehabilitative work

The legislation and support for social enterprises may also be counted as one element of new active labour market policy for unemployed and disabled persons.

The share of expenditures for active labour market measures is in Finland slightly higher than in the average of OECD countries. The total budget for unemployed is higher compared to the average of OECD countries.

The effectiveness of some Finnish active labour market measures have been evaluated. Under examination were vocational and preparatory labour market training, employment subsidies in the private and the public sector and apprenticeships. The largest improvements in employment possibilities of unemployed persons are provided by vocational training, employment subsidies in the private sector and apprenticeship training. Preparatory labour market training (vocational guidance, job application training) did not seem to have any positive effect to the employability of the unemployed.

Employment subsidies in the private sector clearly improved the chances on the labour market of those receiving this subsidy. Its effect was also positive regardless of in which stage of unemployment the subsidy started. But the effect of employment subsidy was weak in the public sector and only showed some result with regard to long-term unemployed.

It has to be taken into account that participants in employment subsidy in the private or the public sector have different backgrounds from the beginning. Those favoured by employment subsidies in private enterprises and associations would anyway have better chances in the open labour market than those who receive employment subsidy in the public sector.

Access to active labour market measures for long-term unemployed and those who are difficult to place have recently attained special attention due the predicted lack of labour force in the nearer future. Therefore the labour offices pay much attention to young unemployed with low education or without vocational skills and to aging persons.

The practical application of almp measures is largely in the hands of local actors. The introduction of new legislation with obligation of municipalities to finance and take part to the employment policies has considerably increased also the influence of local actors to design the ALMP.

In larger municipalities and densely populated regions recently Labour Service Centres were set up by law to act as platforms for cooperation between different professions to solve various employment and social exclusion problems. The integrated Labour Service Centres join the forces of Local Labour Offices, Local Offices of the National Pension institution (KELA) and social services of the municipalities to offer specialised support to long-term unemployed and other clients to find a job and to solve other unemployment related problems. Among the staff are advisors specialised to find jobs or training opportunities as well as psychologists from labour offices, social workers from social services and persons specialised to rehabilitation and pension questions from the National Pension Institution (KELA).

The role of NGOs in the development of active labour market policy has been crucial. Many times NGOs have piloted new measures in various experimental projects. In regions and municipalities they often take part in the activities of Labour Market Services Centres or as well voluntary activities in sparsely populated areas. The piloting and experimenting role of third sector organisations is still utmost important and these activities are often financed by The National Slot Machine Association (RAY) or by the support of Labour Ministry and ESF.

The Finnish active labour market policies are more oriented to "capacity building" than to workfare and imposing sanctions. However sanctions have been introduced by legislation more often than before the unemployment crises of the early 1990s. The development of employment and welfare policies and anti-poverty strategies in Finland comprises simultaneously:

- 1) The development of basic security (subsistence subsidy) on the basis of social rights and
- 2) the development and maintaining of a universal welfare state

Active Labour Market Policy Aimed at Reducing Long-Term Unemployment in Slovakia³

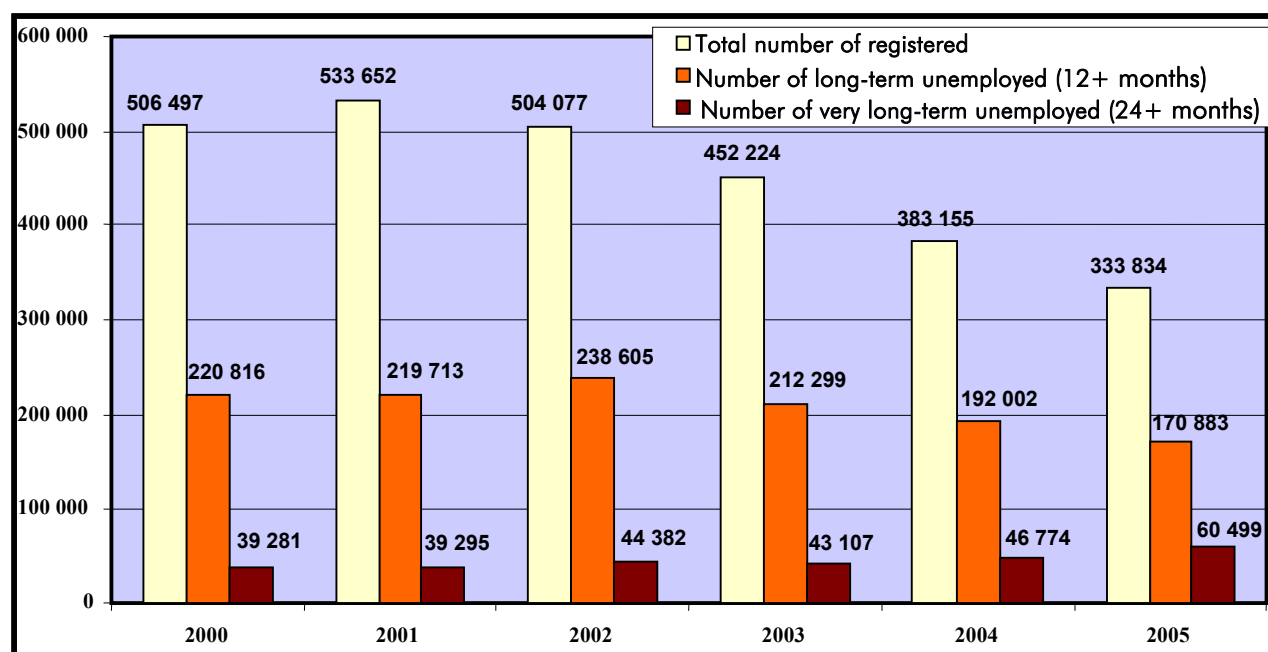
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1. Facts about Slovakia

Slovakia is a country where policy approaches to tackle unemployment changed significantly after 2004. The Slovak government built after the 2002 parliamentary elections implemented fundamental changes of the entire social policy system. The slogan of the "new social policy" was "work pays off". In the following paragraphs I summarize the structure of unemployment, the approaches and tools of ALMP in Slovakia and the effectiveness of the most frequent ALMP tools.

Reforms were legitimized with social problems and high unemployment rates. Especially, in the early 2000s unemployment remained relatively high. According to the labour force survey it culminated in the first quarter of 2004 and has declined slowly but steadily ever since. In the third quarter of 2006 the total number of unemployed reached 341,400, which was by 164,200 less compared to the third quarter of 2001. The rate of registered unemployment monitored by the Central Office of Labour, Social Affairs and Family decreased as well within the same period.

Graph 1: Registered unemployed, long-term unemployed (more than 12 months) and very long-term unemployed - more than 48 months (2002-2005)



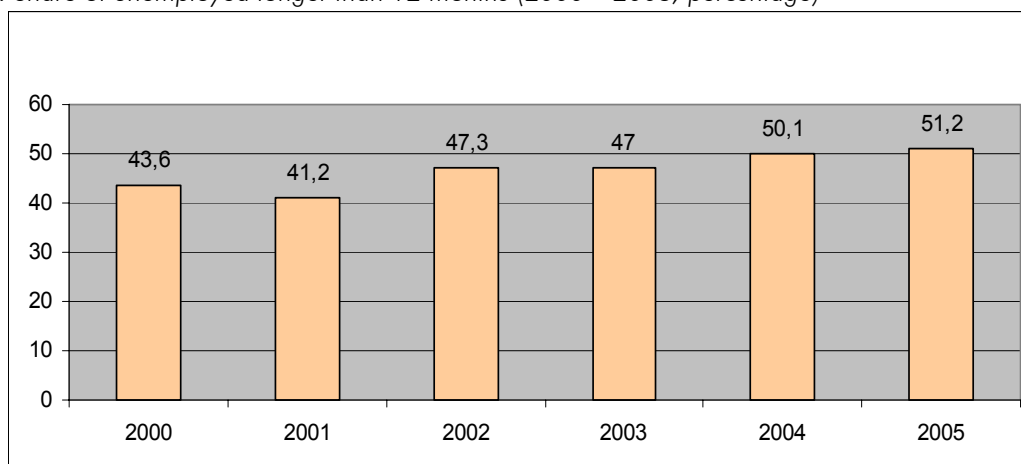
Source: www.upsvar.sk

The unemployment rate in 2005 was 16.2 % (in comparison to EU average of 9 %). The unemployment rate in the first half of 2006 decreased and reached 14,2 %. In spite of undeniable positive tendencies unemployment in Slovakia shows several problematical features. The most important of them is the high rate of long-term unemployed, i.e. people who have been jobless longer than the past 12 months. In November 2004, their share on the total number of unemployed was 48.2 % and a year later that share increased to 52.7 %. The latest statistics (December 2006) shows a share of 53 % long term unemployed in the total number of unemployed.

³ This study is based on results of the research and analysis conducted by Institute for Public Affairs - Active Labour Market Policy Aimed at Reducing Long-Term Unemployment in Slovakia. Bratislava. 2007.

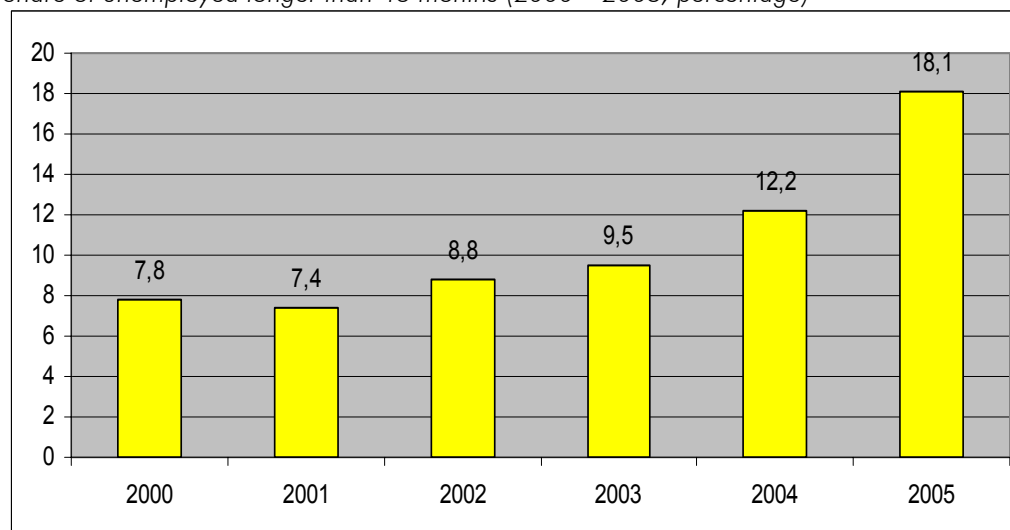
That means the overall decline of unemployment increases the problem of long term and very long-term unemployment. Another major feature of unemployment in Slovakia are the deep regional disparities – with cleavage between Bratislava as the capital on the one side and the regions on the other. More general – the country is divided into the more prosperous West and the less developed East. There are vast regional disparities in unemployment as well as in the share of long term unemployment. Very significant is the concentration of the long-term unemployment in certain regions - Košice region (58 %), Banská Bystrica (57 %) and Prešov (56 %)

Graph 2: Share of unemployed longer than 12 months (2000 – 2005, percentage)



Source: <http://www.upsvar.sk> (Labour Office Slovakia)

Graph 3: Share of unemployed longer than 48 months (2000 – 2005, percentage)



Source: <http://www.upsvar.sk> (Labour Office Slovakia)

2. Social Welfare Reform in 2004

The need for a thorough structural change of social policy ensued from Slovakia's complicated economic and social situation that was one of direct consequences of economic transformations. At this point, the country struggled with alarmingly high registered unemployment (18.8%)

31.12.2000) as well as long term unemployment.⁴ At the same time, unemployment showed significant regional disparities - at the beginning of 2000, the unemployment rate in half of Slovakia's districts was higher than 20% and in eight districts it even exceeded 30%. Most indicators of the population's standard of living were below the levels from 1989 (*Súhrnná správa*, 2000). The policies pursued by the government in tackling the existing social problems required a lot of state budget funds, mostly because they were based on strategies oriented to a high degree of social solidarity and putting emphasis on social policy's compensatory role.

The main aim was to reduce unemployment and increase the social security system's effectiveness. The most important intervention was related to the Labour Code flexibilization and the increase of the role of active labour market measures: deletion of the ineffective ones and introducing some new ones, the implementation of the system of new benefits and contributions, the implementation of the strategic changes and adopting reform measures in almost all areas of the social security system, focusing on three most important areas of the social security system (social assistance and the family policy, pension security system and the labour market policy) and the introduction of a new strategy of employment promotion and the change of the institutional framework.

⁴ According to the Law No. 5/2004 on Employment Services, job seekers are considered long-term unemployed if "kept in the register of job seekers for at least 12 out of the past 16 months since being placed in the register of job seekers".

3. Active Labour Market Policy Measures (aimed at reducing long-term unemployment)

Labour market policies which help to tackle unemployment include a broad spectrum of approaches and concrete measures. The following table gives an overview of measures predominantly implemented in the first half of 2005 and 2006.

Table 1: Implementation of selected AMLP tools for unemployed in 1.half of 2005 and 2006.

Concrete tool	1. quarter 2005		1. quarter 2006	
	Number of cases	financial amount (SKK)	Number of cases	financial amount (SKK)
§ 46 Training and education of job seekers	10.250	55.268.251	2.763	7.944.954
§ 49 Contribution to foster self-employment	5.323	325.285.528	5.751	369.171.589
§ 50 contribution for employing disadvantaged jobseekers	1.896	138.789.616	1.455	114.180.298
§ 51 Graduates' practical training	11.291	154.933.217	7.337	71.495.988
§ 52 contribution for activation jobs	129.372	800.522.434	183.688	946.842.525
§ 56 contribution for establishing a protected workplace for disabled (salaries and equipment)	143	21.021.323	252	43.070.908
§ 57 Contribution for selfemployment of handicapped citizens	128	18.549.578	209	38.514.186
§ 59 Contribution for work assistants of disabled	20	3.128.184	46	4.159.614
§ 60 contribution for maintaining a protected workplace or workshop (costs of administration, rent)	1.103	42.073.756	1.977	87.707.419
Total	159.526	1.559.571.887	203.478	1.683.087.481

Source: Report on the Slovak Population's Social Situation in the first half of 2006. Bratislava, Ministry of Labour, Social Affairs and Family SR 2006⁵.

The significant "decrease" in the field of training and education has different reasons and influences:

- a significant decrease of job seekers registered in labour offices as unemployed
- change of internal rules for implementation of measures. 2005 this tool was relatively new (in terms of definition, because similar measures existed also before the reform – "requalification"). This caused that labour offices included as much job seekers as possible. Additionally, the costs were fully covered only during the implementation period, since then it has to be co-financed by jobseekers.

⁵ Quoted according to Durana-Karpiš-Reptová: Sociálna politika (Social Policy). In: Slovensko 2005. Súhrnná správa o stave spoločnosti [Slovakia 2006: A Global Report on the State of Society], (Bratislava: Institute for Public Affairs, 2006), p. 517

Longterm unemployed are with about 80 % the most important group of unemployed participating in active labour market measures in Slovakia. They are involved in most of the measures.

Types of ALMP aimed at reducing long term unemployment

Table 2: Selected ALMP measures for long term unemployed: share of expenditures and participants 2005

Type of ALMP measures	Expenditures	Participants
Education and training of job seekers (§ 46)	11%	16%
Contribution for self employed (§ 49)	25%	5%
Contribution for employment of disadvantaged job seekers (§ 50)	9%	1%
Contribution for activation jobs (§ 52)	32%	64%

a. Direct support of employers

This category of measures is largely based on demand-side-oriented approaches, i.e. stimulating creation of jobs indirectly via subsidizing jobs created for unemployed and encouraging employers to hire long-term jobless. In Slovakia this is one of the most used active labour market policy tools⁶, for instance a contribution for employing disadvantaged job seekers and disabled persons.

Contribution to employ disadvantaged job seekers § 50

Although the costs of employing one job seeker remains relatively high the contribution fulfils its basic purpose because it truly motivates employers to hire disadvantaged job seekers.

The principal limitation of this tool is that most of the created jobs disappear immediately after the government stops subsidizing them. Possible ways of improving the tools effectiveness with respect to inclusion of long-term unemployed include an increase of the financial amount and a combination with other tools as well as targeting it more precisely to individual job seekers according to the structure of unemployed and disadvantaged.

The total number of created jobs as well as the amount of the contribution continues to be rather low which is why the tool till now does not have a more perceptible impact on the labour market. It is also important to intensify the governments support, create more jobs and most importantly combine the tool with other labour market policy tools.

b. Measures aimed at education and preparation for the labour market

These measures are typical for economies that prefer active labour market policies. Most of them focus particularly on long-term unemployed. They are usually combined with other measures. Their principal objective is to increase employability.

Training and education of job seekers (§ 46)

The effectiveness of training and education varies very much according to the regions. Regions with lower unemployment seemed to have better experiences with education programs, but only in the case of job seekers who have been jobless for less than six months.

⁶ These tools are circumscribed by the Law No. 5/2004 on Employment Services.

Another reason for lower effectiveness is strong demand for qualified workforce on the labour market. But in regions with higher unemployment even people with secondary or university education may face problems finding a job. That is why job seekers' flexibility and mobility is still important even after they complete education or retraining program.

c. Training and counselling

These measures are aimed mostly at developing personal skills of job seekers, for instance their ability to seek and find employment, present themselves to potential employers, write professional CVs and so on. In Slovakia, typical examples of these measures include individual action plans and professional job counselling.

Professional counselling services (§ 43)

The survey's findings indicate that the basic problem with providing professional counselling services, particularly elaborating individual action plans, is the excessive number of job seekers per one counselor (approximately 500). Inevitably, this negatively affects the counselors' individual work with job seekers and, subsequently, introduces formalism and standardisation in the process of elaborating individual action plans. Another problem is the time during which job seekers participate in individual action plans; a number of respondents suggested the time period should be individualized.

d. Various contributions for individuals

These measures are supposed to help individual job seekers find employment via reducing their traveling (e.g. job interviews) or moving costs and subsidizing their training and retraining measures that are inevitable to obtain particular jobs. This category also includes contributions to start-ups, i.e. encouraging job seekers to launch their own business. Typically, these measures are not specifically oriented to long-term jobless but generally to all job seekers.

Contribution for self employed (§ 49)

An important remark independent of regional or any other context and appeared in almost all examined regions is the need to introduce an effective control mechanism. It seems inevitable to offer counselling for the fresh businessmen and tradesmen even after they have collected the contribution (e.g. for six months) and create the necessary capacities for it. From the viewpoint of supporting social inclusion of the long-term unemployed, it seems appropriate to increase the amount of the contribution in order to make it more motivating and reduce the risk of its recipients running into debts; in other words, the contribution should not only cover health and social insurance contributions but also provide some sort of a financial springboard.

e. Measures aimed at 'activating' the jobless

Particular elements of these measures are often combined with other labour market policies that have been described previously. Numbers of European countries have adopted the philosophy of activating job seekers, particularly long-term jobless. One principal element of this strategy is the pressuring and sanctioning inactive job seekers. This approach is in Slovakia represented by activation contributions.

contribution for activation jobs (§ 52)

This measure is the most frequently used and most controversial one (see table 2). Based on the findings we can summarize that in most cases activation schemes serve not so much for increasing the employability of job seekers (most of them long-term) as for the sole purpose of increasing the social income of job seekers who are in the state of material need and are therefore eligible to receive the activation contribution. The demand for activation works often exceeds the supply, par-

ticularly in marginalized regions. It is completely up to willingness and ability of municipal leaders and non-governmental organizations' representatives to create enough jobs within the framework of activation schemes. In some cases, organizers of activation works abuse this ALMP tool by ordering participating job seekers to perform works they would otherwise have to pay for, i.e. substituting 'regular' workforce. The survey also showed the quest (at the level of Labour Offices or municipalities) to reintroduce a once widely applied active labour market policy tool that focused on creating subsidized jobs, namely *pro bono publico* works. According to professionals who took part in the survey, they were more effective than currently performed activation works, especially because they allowed job seekers to maintain a regular employment regime. Reintroducing *pro bono publico* works would change the current status of job seekers, which should result in encouraging their motivation to work, improving their social and financial security and enhancing their work ethics. Last but not least, regular employment means that job seekers' pension insurance premiums are paid, which is extremely important to their future social security. Eventually, this should motivate them to preserve or regain their working habits and increase their employability. The final effect of reintroducing this ALMP tool should be job seekers' increased chance to succeed on the labour market.

4. Challenges for active labour market policy in Slovakia

⇒ Increase competencies on local level (role of local economies and local labour markets)

Almost all measures applied in Slovakia to tackle unemployment seem to be in dire need of a better targeting at particular levels. The most important need in this respect is to tailor individual measures to local economy and local labour markets (i.e. employment policies should correspond to possibilities of individual regions, education and retraining should address local needs, etc.).

⇒ Heterogeneity of unemployed

At the same time, applied policy tools seem not to consider the heterogeneity of the unemployed. Slovakia is a country plagued by marked regional disparities and its unemployed people form a rather diverse category, not only in terms of the length of unemployment but also in terms of its structure within individual regions.

⇒ Complex assistance – need for networking on local level

The problem of long-term unemployment must be tackled in all its complexity. Therefore, designed measures of employment and labour market policies should be applied in mutual combination with each other as well as with other forms of assistance. Some of the currently applied active labour market policy tools are failing to address the long-term jobless due to their design, inadequate evaluation and monitoring as well as regional and local disparities. However, the principal limitation is not the measures' design but the combination of negative factors such as inflexible local labour markets, accumulation of long-term unemployed with low qualifications in certain (often marginalized) locations and accumulation of other handicaps determined by the specific status of long-term jobless (e.g. low education status, psychological profile, loss of social skills, etc.).

⇒ More job creation

Supporting the creation of new jobs in all its forms (e.g. subsidizing employers who decide to create jobs for disadvantaged job seekers or supporting job seekers who decide to become self-employed) has turned out to be the best way in terms of positive effects on long-term jobless, this despite higher per capita costs. Both schemes provide long-term unemployed with a real chance to work and develop their working habits and professional skills. The subsidized jobs have a positive psychological impact on job seekers who subjectively perceive them as actual employment. Last

but not least, these jobs 'wash away' the stigma of long-term unemployment that often becomes the main reason for discrimination. In this respect, we would like to reiterate the importance of tailoring concrete measures to concrete categories of unemployed, not only according to the structure of unemployment but also the type of disadvantage.

⇒ Innovation and support for individual approach (case management)

It is inevitable to adopt an individual approach to support long-term jobless and combine active labour market policy tools with other forms of assistance. Equally important are preventive measures with respect to population groups threatened by long-term unemployment. It seems to make sense to focus on children and youth by coordinating activities of social affairs and education ministries, even on the local level, and harmonize the education policy with social and labour market policies.

⇒ Lack of capacities and evaluation

It is extremely important for policymakers to accept the fact that there are no simple solutions for Slovakia's labour market and that cheap solutions often backfire. Effective solutions should be complex in nature, which requires financial as well as human resources. Compared to other EU member states, Slovakia still allocates relatively low state budget expenditures to labour market policies. A general increase in financial resources as well as personnel and managerial capacities is of crucial importance for tackling the problem. A serious drawback is the absence of evaluation and monitoring of concrete labour market policy tools; at the same time, policymakers do not show too much interest in readjusting these tools based on the results of evaluation and monitoring.

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Panel Discussion

Active Labour Market Policies in Europe – Do Local and Network Approaches Promote Social Inclusion of Long-term Unemployed?

Chair: Prof. Dr. Adalbert Evers

Podium speakers:

- Anne Ames, Federal work group of unemployed and social assistance initiatives, Frankfurt, Germany
- Heiner Brülle, Amt für soziale Arbeit (Agency for social work), Wiesbaden, Germany
- Dr. Karsten McGovern, First Minister for the District of Marburg-Biedenkopf, Germany
- Dr. Angela Genova, Sociological Institute, Urbino University, Italy
- Sari Toiviainen, Duuri Network (social and labour market support of unemployed people), Helsinki, Finland

The discussion began with a presentation by the podium speakers, who gave short statements based on their own country-specific experiences on two question areas:

- ⇒ To what extent is a shift of competences towards the local level taking place in active labour market policy, and what do you think about this?
- ⇒ In labour market policy practice, to what extent are aspects which go beyond employability taken into account? What do you think about the connection between labour market and social services, and the interaction of the relevant institutions?

Following the statements, the discussion was opened to the audience.

Introductory Statements

Karsten McGovern

As First Minister, I am responsible for the District JobCenter in the district of Marburg-Biedenkopf. This is a rural district with around 250,000 inhabitants, of which about 10,500 are employable receivers of support according to the legal definition. We try to support these people, not only with money but also by helping them find work and training. On the first question, about decentralisation: German labour market policy is currently extremely concentrated on the target of finding work, which leads to strong restrictions on the local use of the integration resources that are available. This makes it difficult to use resources for decentralised solutions, and to follow other aims than finding work, such as for example personal stabilisation and an improvement in personal living conditions even when employment is not on the cards. We have nevertheless managed to develop good solutions in our district under these conditions, by using our existing leeway for action. One example is the cooperation project between the District JobCenter and the Youth Career Aid, i.e. at the interface between two separate systems: on the one side basic assistance and integration support for job seekers under the law SGB II, and on the other the Youth Career Aid under the Child and Youth Assistance Law (SGB VIII), which is responsible for the transition from school to employment. In this preventative project we are trying to mobilise and network all the resources: our aim is to provide a perspective for youths with problems who are in the period of transition between school and career, and who will probably have difficulties in finding a traineeship. We also use resources from active labour market support, which is very successful.

Anne Ames

I answer these questions from the following professional background: on the one hand, I am the head of the BAG-SHI. The BAG-SHI was formed 15 years ago, and up to the end of 2004 it was the lobby for social benefit receivers. With the Hartz reforms, it also became the lobby for those who used to receive unemployment benefit and who now are eligible for social welfare support in place of the wage-based insurance payments that they used to receive. I have also recently carried out a survey of receivers of unemployment benefit II in Hesse under commission from the protestant Church in Hessen-Nassau, in which several hundred people took part. This was also concerned with the question of occupational support. On the first question concerning decentralisation: The entire Hartz reform of the law was set up to transfer competencies to the local level, to the local suppliers of the new support services. This affects both the ARGEN (work groups), in which the communes play an important role, as well as the 69 optional communes which implement the new law under their own aegis. Based on the survey and on consultations, I would judge this transfer to the local level negatively from the point of view of those affected. For both in terms of the transfer payments and in the active benefits for inclusion in the labour market, this transfer comes with a large rise in insecurity for the rights of those affected. It is specified in the law, for example, that occupational training offers are only optional services, which can be offered according to the judgement of the local agency or case manager. Localisation has meant that there are hardly any federal standards or guidelines left through to which the unemployed person could appeal in order to receive benefits. Every ARGE, every optional commune does what it wants, the implementation advice from the Federal Agency for Work is largely irrelevant, even in ARGEN. The advice for implementation for the optional communes are in addition not available to the public.

On the second question, about the connection between labour market policy services and social benefits: in the law it is explicitly defined that debt advice, psychosocial counsel, addiction advice or child care are supplied in case of need. In practice, this is usually almost irrelevant – to be provocative, one could almost say thank God that it is almost irrelevant. We have already heard that people receiving ALG II (unemployment benefit II) are a group which is becoming ever more heterogeneous, in part because one falls ever faster from unemployment benefit I, which is an insurance benefit based on wage, to the social benefit payment of ALG II. The imputation that most of these people especially have personal problems also has a stigmatising character, and moves the focus away from the labour market situation as the cause of unemployment. Of course there are also amongst them people who require psychosocial help and counselling, especially among young people who leave school without qualifications. For the majority of people on ALG II, however, this is not the case. What the people really need is secure jobs which provide enough to live on, and if these are not available, then they would like sensible offers of further education or training. The budget for these sort of services has been run down, however, and is only now back up to the level of 2004. I see the general problem as being that the more activating labour market policies became fashionable, the less clear it becomes where people are supposed to be activated to.

Angela Genova

I am going to make some comments on the Italian case by briefly discussing the following issues: decentralisation, integration of services and thirdly my personal opinion. In Italy the decentralisation process had involved both employment services and social services. From the administrative point of view Italy is divided into twenty regions, each region consists of several provinces and within these provinces there are the municipalities. 1999 a decentralisation of employment services took place: the central authority (Ministry) devolved the responsibility for the employment services to the provincial level abruptly overnight. The change was badly managed, the provinces were not trained to manage employment services. The results varied throughout Italy, it was very heteroge-

neous. And most of the provinces in the south were not ready at all for taking the administrative responsibility for those services and for a couple of years some southern provinces just did not do anything.

Moreover the personnel in the offices are very purely qualified. This is a big problem because the change regarded not only the administration but had been justified with the improvement of quality of services: from administrative and bureaucratic services to services for people, from keeping an unemployment list to active job research.

As to the social services in 2000 the first national law on such services was passed. Before 2001 these services were managed at the local level. But in 2001 we had a radical reform of the constitution which gave the legislative control on social services back to the regions. Moreover, the main operating actors in providing social services are still the municipalities, while in providing employment services the provinces are the responsible actors. So we have an institutional mismatch. This institutional mismatch brings up the second issue, the integration of services. Active labour market policy would require a strong integration of social services and employment services. But this integration had not yet been institutionally planned or implemented, the holistic view of unemployed is not yet considered in a systematic way. The services are separated and work together only in case of special needs. There are only a few local exemptions of joint projects between the social services run by the municipalities and the provincial employment services. Further I have to stress that we do not have a guaranteed minimum income like social assistance in Italy. Against this background my opinion is that we do not have the institutional means and instruments to implement active labour market policy. My general opinion is that decentralisation may work; it is often said – particularly by local authorities - that local actors networks are the most suitable to promote social and labour inclusion. But the main challenging aspect regarding the heterogeneity of services is that it raises political and moral issues – regional disparities, overloaded regions with small budgets. Therefore I would argue that decentralisation of services would benefit from a central coordination. As to the integration of services I think that cooperation between employment and social services should be planned in a more structured system and not managed at a discretionary local level according to the ability of provincial offices to activate themselves, but rather according to national standardized guidelines and means.

Sari Toivainen

I am the director of the Duuri network centre in Helsinki, which is the largest among the 39 centres of such kind in Finland. Concerning decentralisation: our welfare system have always been quite well based on social services which are provided by municipalities. Since the most of the money for social and health services comes from the municipalities, the national Ministry of Health is not guiding those services very strongly. Whereas in the field of employment services we have certain governmental programmes and institutions which are strongly ruled by the national Ministry of Labour. The problem with our employment and social services had been for a long time that they had developed side by side, and the co-operation has been quite random depending single actors. Nowadays with the Duuri network centres we have a very well established cooperation system on a decentralised level which covers 80 % of Finland. About the topic of cooperation: We are not just co-working but we are even producing these integrated services together right from the start. Thus we do not only share interests but our every day work and tasks.

Concerning the activation programmes we have to ask what activation does mean for different people: for some it is a good option. But many of these activation activities do not help people to enter the labour market, they may help people to the intermediate labour market, but not to get permanent jobs. And some people can not use the possibilities of activation programmes because

they have multiple problems after many years of unemployment. Some of them – particularly in Helsinki area – have no vocational training at all while low skilled industrial jobs do not exist any more. At the same time we have a shortage of labour in some branches, therefore we should provide good training programmes in cooperation with employers instead of those short-time activation programmes. The other task we are caring for with our network is that many people need individual paths of specialised help because they are dropping out not only from the labour market but also from education and health services. Activation does not separate people who gain by activation from those who do not gain anything because they are too far from the labour market.

Instead, I believe in our local system of co-producing services. As to the results of our work: last year when our clients had finished the process fifty four percent of them found different kinds of a long-term-solutions, 33% went to the labour market, the others to education measures or pension. But these processes mostly took more than one year. That is the reason why this short-time activation system is not working for everyone.

Heiner Brülle

I work as a social planner in the Agency for social work in Wiesbaden. The Agency follows its name, in the sense that we are responsible for the integration of social youth and labour market services. The Agency for social work, the Youth Welfare Agency, and the communal authorities responsible to the law SGB II (basic support and integration services for employable benefit receivers) work together in this. We have 275,000 inhabitants in Wiesbaden, of which 19,000 are employable and needy. To make it clear that this law is not only concerned with the labour market: of our 19,000 needy people, only 9900, not even half, are unemployed in the sense of the law. At the moment 5300 of them – and increasing – have income from work. So we have a large gulf between political reality and political discourse: everyone talks about Kombilohn (State-subsidised wages), while at the same time with the SGB II we have introduced the largest State-subsidised wage programme of all time. The answer about decentralisation is not simple, as the Hartz reforms happened at the same time as a contrary process: the support given by what used to be social benefit was in part centralised by part of the costs being carried by the Federal state. Labour market policy for the long-term unemployed from what used to be unemployment benefit was, on the other hand, localised to the communes. Legislators have created an interim solution with the Work Groups, consisting of local JobCenters and communes. In the area of labour market policies we thus have a process of decentralisation through the participation or single responsibility of the communes. I think this is positive, because the regional situation in the labour market and the heterogeneity of those receiving benefits require locally differentiated solutions. As is usual in centralised organisations, we have not had this differentiation in the Bundesagentur für Arbeit (Federal Work Agency). The result has been that the business logic in the area of the SGB III (work support for unemployed people who are entitled to support from unemployment insurance contributions) has meant that in the last few years only those people who had a 70% chance of finding work were sent on training courses – in other words, only those people who in fact did not need the training to find a job. If we want to form a labour market, qualify people for a labour market and at the same time run welfare policies, then I believe these things should not be separated from one another. For work is an important aspect for securing social integration. And in order to enable integration into work, it is also necessary to provide social services for some of the 20 thousand employable people in need of support. I agree: for some, certainly not the majority.

In Wiesbaden, we have integrated these different services. The social integration and labour market policy services are carried out within a "triangle of social rights", as we say in Germany; i.e. they are a joint effort of Third Sector, commune and citizens. The Agency's pattern, on the other hand, was tender, competition and distribution of service contracts. These are mostly carried out commercially, and in part by supra-regional suppliers. Most integrative services cannot be pro-

vided like this, however, which was the strongest argument for us to carry out this function ourselves, that is to communalise it. In this way we could decide, for example, to pass the area of young people's integration in the transition period between school and career to a Third Sector organisation. This organisation carries out youth support and labour market policy support at the same time, and can thus combine both service systems in case management.

Questions, comments from the audience and clarifications by the panelists

Integrated services

Heiner Brülle was asked whether the charitable youth support organisation which was responsible for labour market services for young people carries out all training and youth support services. Mr. Brülle explained that the organisation "Wiesbadener Ausbildungsagentur" was the responsible agent for case management and providing support for all young people under 25, but that the services in the area of education and training were carried out by a wide range of organisations. What is special about the Wiesbaden model is that this organisation provides the services for young people specified in the law SGB II (basic support for employable service receivers) and the Youth Occupational Support (SGB VIII). Young people who are supported in the different legal frameworks are provided with the same services. This prevents the services having to be changed when, for example, the family income situation changes and thus the legal framework for their support.

One contributor referred to the Finnish system of cooperative provision of labour market policy and social services. He considered the central idea of providing an integrated service palette on site, while taking into account local specifics, to be positive – in contrast to the German decentralisation model. For in Germany there are no specifications as to what is considered to be essential in integrated service provision. This leads to many ARGEN and communes hiding behind the single-minded focus on labour market integration, and e.g. not providing social integration services. He further pointed out that the law SGB II not only refers to the long-term unemployed, but to a very large group of people who are working in inadequate, low-paid employment. This shows that material participation must also be taken into account.

In reply to this contribution Sari Toiviainen explained the financial and cooperative structure of the Duuri network. Half of the financial and personnel resources are paid by the Ministry of Labour - split between the local employment authorities, the other half by the municipalities. Up till now there is not yet a law for this kind of integrated service centre, it is based only on a national governmental employment programme. As there are elections next month, the future of these centres is not secured. The centres are partly influenced by strategic guidelines from the National Labour Ministry, but most influence is exerted by the municipalities and the multi-professional guidance committees consisting of different interest groups. The service centres cover about 80 % of the Finnish districts, smaller municipalities can run a centre jointly and in cooperation with the regional employment offices. She pointed out that the cooperation networks act like a corporate organisation with multi-professional teams of health nurses, social workers and employees of employment offices. It took a lot of time and has been very challenging to become accustomed to not just co-operate, but even to think from the same perspective, because at first they had not understood each other and had been using different norms.

Contradictions of the activating paradigm

Starting from the already mentioned cooperation difficulties between labour market support and people providing social services in the Finnish service network, a contributor spoke on the question of integrated services. First, there is a danger of stigmatisation and individualisation of the problem of unemployment if psychosocial problems are assumed in the whole group of the long-term un-

employed. Secondly, it should be noted that we are not only talking about cooperation between different professions, but also a mixing of different logics for action which may contradict one another: on the one hand the principle of supporting people and strengthening their resources in the long term, on the other the increasingly applied principle of getting people as fast as possible into any work or work programme, and to apply sanctions if cooperation is not forthcoming. The problems of cooperation mentioned between social workers and the labour market service may be based in these contradictory principles, and not per se in the differences between professions. The podium is asked what experiences they have had in this contradiction in logical motivation in activating policies.

Referring to the contradictory nature of activating policies, Mr. McGovern also agreed that personal contact with the clients is difficult when restrictive measures are also carried out. On the other hand, it is a challenge for the employees of the JobCentres to deal with the experience that many people remain entirely inactive for a long period if they are provided with complete support without any duties. In this connection, he referred to a study from the Netherlands on the situation of youths who had services cut due to a lack of cooperation; according to this study, 80% were in work, which would have been rather unlikely had they continued to receive unconditional payment of transfer funds. For young people in particular, it is sometimes necessary to set obligatory behaviour, in order to open up any perspective beyond continually living off benefits.

Also referring to the contradictory activation concept, Sari Toiviainen pointed out that the official goal of the employment offices was to guide people to work. Many of them would not ask for help but just for money. At the same time the staff of the basic labour offices would have to raise the activation percentage all the time. Therefore they had a completely different point of view than their claimants. Many of them need concrete help but are not able to talk about their situation. The labour offices do not have the same possibilities as the Duuri network to give concrete help, for example for people with health and housing problems. She emphasised that the experience of the Duuri network in offering help for concrete problems was quite positive in view of motivating people. The main goal of the Duuri network centres was to find a long-term solution, first to find a job, second to offer long-term education and otherwise to clarify if other transfer systems could be a possibility. The Duuri network also had a labour market orientation, but offered at the same time concrete help for other kinds of problems.

Social integration or labour market integration

Criticising the activating paradigm, one participant argued that the labour market situation in Germany required a completely different system of services for the unemployed than the activating principle currently in use. The principle used should depend on whether social inclusion or labour market inclusion are most important. This influences decisively whether social services are subordinated to labour market integration services or vice versa, or whether the two are complementary to one another. Material security and social integration services for people should be seen as being independent, and of top priority. Considering the current labour market, he spoke against the idea that people who could live satisfactorily with the available basic benefit provided should be "flushed out". Society should be glad, and leave the people in peace if that is what they want. For youths this should however be approached differently, as they stand at the start of their possibilities for development and can not always see the consequences of their decisions.

On the question about the pre-eminence or otherwise of labour market and social integration, Mr. Brülle noted that the legislature had taken another route with the inclusion of basic income support in the system of employment support. While the previous social income support law was based upon the right to a decent quality of life, in the SGB II only the right to activation and the corresponding services for ending need are specified. Despite this justified criticism, it is nonetheless not

sufficient to consider social integration entirely without integration into the labour market. At least the chance to join the labour market should be provided. For people in our society still define themselves by their participation in wage labour, which is not merely a question of material security but also of self-confidence and social status. The problem with the law is that it only considers labour market integration, and does not aim towards wider, long-term chances for participation in paid work, and access to life-long learning and education opportunities.

Mr. Govern also replied to the demand of a participant not to activate all unemployed people, at any price. He spoke in favour of enabling some groups of people to draw basic social benefit, and to provide opportunities for voluntary activities. This possibility can however only be realised in a limited fashion due to the general legal emphasis on local labour market integration. The form of services and the practice of providing services should be differentiated for specific target groups. On this basis, criteria for measuring success depending on target group should also be developed. Referring to the indicators developed by the project, he noted that decentralisation was by and in itself not a success, it is far more important how local discretion is applied.

Emdela Conference Day 2
Performance Measurement of Active Labour Market and Social Inclusion Policies

Social indicators as OMC related instruments in the field of EU inclusion policy⁷

Eric Marlier, CEPS/ INSTEAD Research Institute, Luxembourg

Reminder

- 1997: *European Employment Strategy (EES)*
- 2000: *Lisbon strategy:*
- Objective for 2010
 - Open Method of Coordination (OMC); ~ “formalisation” of EES method
- 2001: Environment added to 2010 Lisbon challenge; *EU Sustainable Development Strategy (SDS)*
- 2005: (mid-term review of the Lisbon Strategy; new EU governance):
- a) March: refocus of Lisbon Strategy on growth & jobs but Social Inclusion (SI) policy to be “pursued by the Union and by Member States, with its multifaceted approach”;
4 dimensions kept but Strategy “prioritised”
 - b) June: first EU “Integrated Guidelines”: bring together Broad Economic Policy Guidelines and Employment Guidelines in a single coherent text; cover a 3-year period (2005-2008)
 - c) Autumn: first National Reform Programmes on growth & jobs (“Lisbon Plans”)
- Jan 2006: Streamlined OMC, i.e. synchronised and rationalised EU *Social Protection & Social Inclusion Process*... expected to preserve the “identity” of the 3 individual social “strands” currently covered (social inclusion, pensions, and health care & long-term care)
- Jun 2006: Renewed EU Sustainable Development Strategy
- Sep 2006: First streamlined National Reports on Strategies for SP & SI (2006-2008)
(National Action Plans/inclusion maintained but fundamentally restructured)
- Oct 2006: First annual implementation reports of 2005-2008 National Reform Programme

Feeding in and feeding out

- Major result of refocused approach: need for mutual, *reinforcing feedback* at country and EU levels between two “Processes”:
 1. The refocused Lisbon strategy (= *Partnership for growth and jobs*)
 2. The OMC in the field of social protection and social inclusion
- *Feeding in and feeding out*

⁷ This contribution is based on a slide presentation of the speaker. With regard to a consistent documentation of the contributions the contents of the slides were transformed into another textformat.

For more information see www.ceps.lu

- Taking up the **feeding in and feeding out** challenges: necessary condition to allow for a governance approach in line with sustainable development
- Meeting these challenges = mainly a responsibility for individual Member States (at national as well as regional & local levels)... but Commission also has a role to play

Taking up the *feeding in and feeding out* challenges requires in particular the following:

1. Member States have to *mainstream* the Social Protection & Social Inclusion *objectives* into all relevant public policies and into structural funds programmes (ESF!):
 - ⇒ Social Protection & Social Inclusion objectives to be fully incorporated into decision-making process at all relevant policy levels (national and sub-national levels)
 - ⇒ *Joined-Up Government* - at and among the different policy levels
 - ⇒ effective participation of stakeholders in design, implementation, monitoring and assessment
2. EU also has to truly mainstream SP&SI objectives in policy-making
3. Need for a consistent/integrated/coordinated approach of all 4 dimensions of Sustainable Development:
 - in national strategies (within the SP&SI areas but also between SP&SI, Jobs & Growth, and Environment); and
 - in EU reporting (esp. to the Spring European Council).

This, in turn, requires:

- Systematic impact assessment of SP&SI policies AND also of all relevant public policies (both ex ante and ex post assessment)
 - ⇒ Systematic analysis/monitoring of impact on social cohesion of these policies (at EU, national & sub-national levels)
 - ⇒ Adjustment of these policies to strengthen their –potential- contribution to promoting social cohesion [*Making Work Pay, Active Labour Market Policies, flexicurity issues*]
- Strong political & administrative commitment – again at EU & (sub-)national levels [targets (policy levels/cycle and time frame), awareness-raising campaigns...]
- Significant investment in statistical and analytical capacity building at EU, national and sub-national levels:
 - ⇒ Collect/produce required data at these levels: quality & coverage, quantitative & qualitative, household & enterprise (MWP...)...
 - ⇒ Develop statistical & analytical expertise and tools at these levels: monitoring, targeting, micro-simulation...

EU Method: the OMC

- OMC:
 - ⇒ Mutual feedback process of planning, targeting, monitoring, examination, comparison and adjustment of national (and sub-national) policies,
 - on the basis of common objectives (and common guidelines) agreed for the EU as a whole,
 - involving the Commission and all the Member States.
 - ⇒ Peer review exercise aimed at sharing experience & good/bad practices; should allow all Member States to learn from one another and thereby improve their policies.
 - ⇒ Key words: common objectives, national reports (National Action Plan, National Strategy Reports, National Reports on Strategies for SP&SI...), Peer Reviews, good practices, Joint Reports
- OMC in social protection and social inclusion field currently covers
 - ⇒ 3 strands (SI, pensions, and health care & long-term care); plus
 - ⇒ some information exchanges in the field of making work pay, and thus active inclusion and flexicurity issues. (However: primarily Employment Committee responsibility)

EU Objectives for Social Protection & Social Inclusion

- EU streamlined SP&SI Process articulated around 12 *main objectives* common to all 27 Member States
 - ⇒ objectives adopted by EU Council of Ministers in March 2006: 3 per domain and 3 “overarching” (double function)
 - ⇒ 12 objectives = framework for the 2006-2008 National Reform Strategy for SP&SI
- Overarching objectives of OMC for SP&SI: To promote...
 - ⇒ ... “social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies ”
 - ⇒ ...“effective and mutual interaction between the Lisbon objectives of greater economic growth, more and better jobs and greater social cohesion, and with the EU's Sustainable Development Strategy”
 - ⇒ ...“good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy”
- Social inclusion strand: In order to make “a decisive impact on the eradication of poverty and social exclusion”, the Council has agreed on 3 objectives = To ensure...
 - ⇒ ...“access for all to the resources, rights & services needed for participation in society, preventing & addressing exclusion, and fighting all forms of discrimination leading to exclusion”;
 - ⇒ ...“the active social inclusion of all, both by promoting participation in the labour market and by fighting poverty and exclusion”;

- ⇒ ...“that social inclusion policies are well-coordinated and involve all levels of government and relevant actors, including people experiencing poverty, that they are efficient and effective and mainstreamed into relevant public policies, including economic, budgetary, education and training policies and structural fund (notably ESF) programmes.”

Typology of indicators and statistics used in OMC applied to Social Protection & Social Inclusion:

- Commonly agreed EU indicators (acronym = EU)
 - ⇒ Comparative assessment of Member State's progress towards common objectives
 - ⇒ Primarily social outcomes, though also intermediate social outcomes & outputs
- Commonly agreed national indicators (acronym = NAT)
 - ⇒ Based on commonly agreed definitions and assumptions
 - ⇒ Reflect important dimension of strand/ specific target group, but
 - do not allow for direct cross-country comparison, and/or
 - have no clear normative interpretation (not “targetable”).
 - ⇒ Can help measure scale and nature of policy intervention
 - ⇒ To be interpreted (more) cautiously, jointly with relevant background information (exact definition, guidelines for calculation, assumptions, representativeness)
- Commonly agreed context information
- National indicators & other statistics (context information...)

Commonly agreed indicators and statistics: “architecture” and development

- Architecture of commonly agreed indicators (EU & NAT) and statistics
 - ⇒ architecture = general structure of common objectives for EU streamlined SP&SI Process agreed upon in March 2006
 - ⇒ 4 indicators portfolios: 1 “overarching” portfolio plus 1 portfolio for each of the 3 individual “strands” (social inclusion, pensions and health)
 - ⇒ for each strand portfolios (not overarching): 2 levels
- Commonly agreed indicators and statistics used in social OMC are developed
 - ⇒ collectively (Commission plus Member States)
 - ⇒ on the basis of empirical & theoretical expertise: first, Social Protection Committee Indicators Sub-Group, but also: academic reports produced on behalf of EU Presidencies (esp. BE and LU Presidencies) and discussed in international conferences, special studies, etc.

OMC → specific tools

- Social indicators are used for a variety of purposes
- Here: commonly agreed indicators used for specific purpose. Should facilitate international comparisons of *actual performances* achieved by (sub-)national social policies, and hence improve mutual learning and exchange of good/bad practices among Member States
- Thus: primary focus of common indicators = on social outcomes rather than means by which outcomes are achieved [intermediate social outcomes & outputs]
- But: there is a role for indicators relating to policy inputs (e.g. expenditure on social transfers). Input indicators are important when reporting on policy (efficiency!)
- OMC = specific method requiring specific indicators (almost identical to Laeken framework developed in the context of the Social Inclusion Process). For in-depth discussion of methodological framework and other related issues [indicators, comparative analysis, data, micro-simulation...], see:
 - Tony Atkinson, Bea Cantillon, Eric Marlier and Brian Nolan, *Social Indicators: The EU and Social Inclusion*, Oxford: Oxford University Press, 2002
 - E. Marlier, T. Atkinson, B. Cantillon and B. Nolan, *The EU and social inclusion: Facing the challenges*, The Policy Press, 2006

Methodological principles for selecting commonly agreed indicators

- Each of the 4 indicators portfolios should be
 - ⇒ comprehensive, cover all key dimensions of the common objectives
 - ⇒ balanced across the different dimensions
 - ⇒ enable a synthetic and transparent assessment of a country's situation in relation to the common objectives
- Individual indicators should be
 - ⇒ relevant (capture essence of problem), and have a clear and accepted normative interpretation [not NAT]
 - ⇒ robust and statistically validated
 - ⇒ responsive to policy interventions but not subject to manipulation [composite]
 - ⇒ (reasonably) comparable across countries [not NAT]
 - ⇒ built on regularly available and timely data

Expected use of commonly agreed indicators

- Overarching list
 - ⇒ brief and consolidated overview of economic, employment, social and demographic national context of countries
 - ⇒ helpful for Member States when setting priorities and developing SP&SI policies
 - ⇒ all overarching indicators expected to be used for assessment (COM & MS)

- Strand lists
 - ⇒ condensed but fairly comprehensive monitoring tools
 - ⇒ should help assess in a comparative way national situation with regard to EU objectives in each strand + should help assess Member State's progress towards EU objectives
 - ⇒ countries to assess their situation using (at least) all primary level indicators in each strand
 - ⇒ powerful tools for identifying areas where more policy action needed

Commonly agreed indicators and stats

- Overarching list
 - ⇒ 14 indicators
 - ⇒ 12 context stats, including (yet to be developed) Making Work Pay
- Social inclusion strand (streamlined/refined Laeken list)
 - ⇒ 11 primary indicators, including (yet TBD): material deprivation, housing, child well-being
 - ⇒ 3 secondary indicators
 - ⇒ 11 context stats, including (yet TBD) MWP

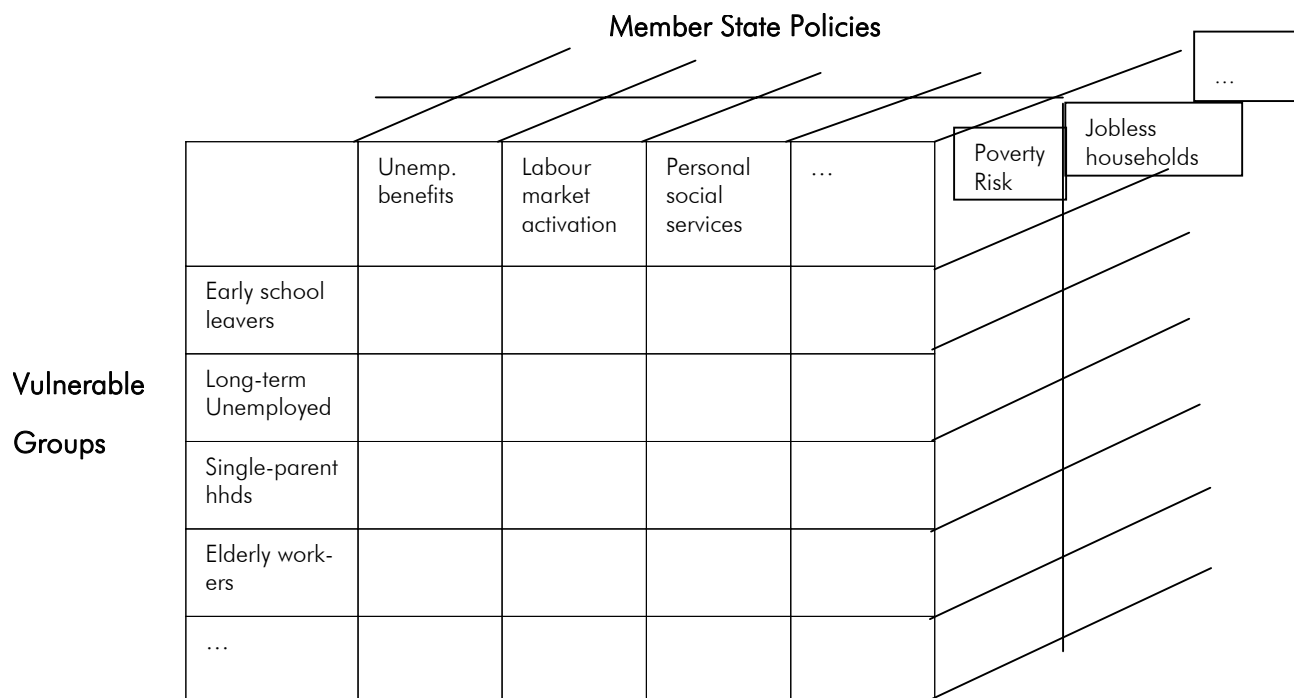
Graph 1

Policy Impact Matrix

		Member State Policies			
		Unemployment benefits	Labour market activation	Personal social services	...
Vulnerable Groups	Early school leavers				
	Long-term Unemployed	Completing the blanks			
	Single-parent households				
	Elderly workers				
	...				

Graph 2

Linking with EU Indicators



Evaluation of Mainstreaming Social Inclusion (MSI)⁸

Izabela Litewska, Combat Poverty Agency, Dublin, Ireland⁹

Background

- Study funded through European Commission under the Transnational Exchange Programme (TEP) - Part of the Community Action Programme on Social Exclusion
- Initial MSI Project - 2002-2005
 - ⇒ Book
 - ⇒ Website
- Evaluation Project - 2006
 - ⇒ Seventeen partner organisations - central ministries and research institutes
 - ⇒ Political and Spatial Dimension
 - Seven Member States involved –
 - CZ; FR; IR; NL; PT; SK; UK (including England, NI, Scotland & Wales)
 - One accession country - Bulgaria
 - One European Economic Area country – Norway
 - European Anti-Poverty Network

Mainstreaming Social Inclusion

The concept covers three areas:

- Public policy-making
- Involvement and participation of all stakeholders in policy-making
- Evaluation of mainstreaming social inclusion into public policy

What is “Mainstreaming Social Inclusion”?

Project definition:

“Mainstreaming social inclusion is the integration of poverty and social inclusion objectives, including an equality perspective, into all areas and levels of policy-making and that is promoted through the participation of public bodies, social partners, NGOs and other relevant actors”

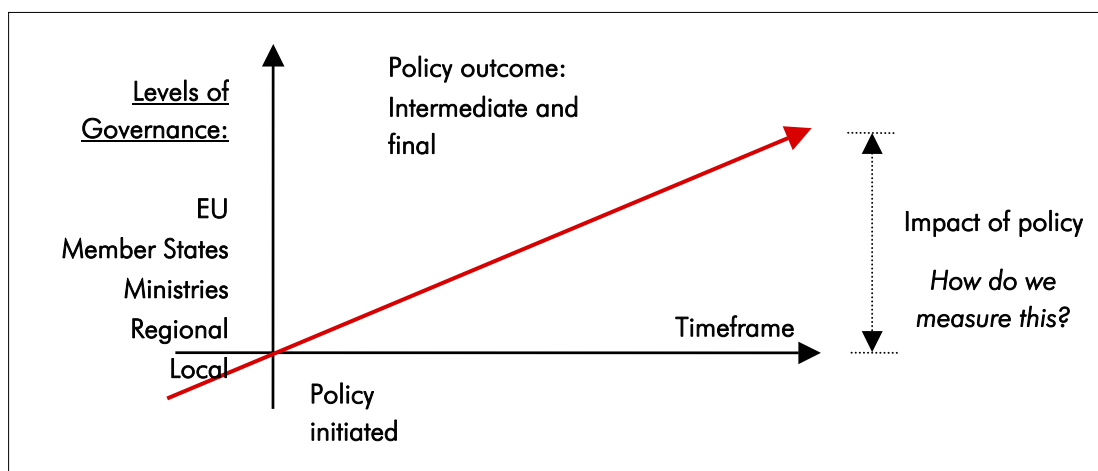
⁸ This contribution is based on a slide presentation of the speaker. With regard to a consistent documentation of the contributions the contents of the slides were transformed into another textformat. For more information: www.msieurope.eu or www.combatpoverty.ie

⁹ State advisory agency developing and promoting evidence-based proposals and measures to combat poverty in Ireland

Outcome of MSI Project

- Developed evaluation methodology (including survey questionnaire)
- Tested questionnaire in five partner countries and in EAPN (European Anti Poverty Network) national affiliate organisations during 2005
- Focus on:
 - Political Leadership
 - Administrative Leadership
 - Specialists/ Skills
 - Structures
 - Data/ Research
 - Consultation and participation

Theory of change



Questions to be addressed:

- To what extent is social inclusion mainstreamed into public policies?
- To what extent are stakeholders involved in the mainstreaming process?
- Has it have an impact on the policy process and outcomes?

Evaluating MSI- 2006

- should tell us
 - ⇒ Quantitative extent of mainstreaming
 - ⇒ Understanding of mainstreaming
 - ⇒ Examples of mainstreaming

- and has potential to
 - ⇒ Develop a mainstreaming scale (MSI Scale)
 - ⇒ Link to levels of poverty over time
 - ⇒ Start of a process?

Evaluation Methodology and Questions

The study was in three parts:

- Quantitative survey, using the evaluation questionnaire
- Series of qualitative interviews with selected respondents to the survey, based on an agreed interview guide (Around 90 in total)
- Good practice' case studies from each participating country (8 case studies)

Quantitative survey – 1198 target responses from nine partner countries:

- Selected ministries and government agencies
- Administrative regions (in those countries where regions have a devolved policy-making function)
- Local authorities/municipalities
- Trade union and employer organisations
- NGOs working with people experiencing poverty and social exclusion
- Other civil society organisations relevant to social inclusion

Survey Questionnaire covered the following questions

- *Is there political leadership and is there a commitment at the political level to sponsor the mainstreaming of social inclusion into the policy-making process? Is this followed through into legislation? Are adequate resources provided?*
- *Is there administrative leadership and a commitment by the public administration to the implementation of mainstreaming social inclusion in the delivery of public policies, including the NAPs/inclusion?*
- *What is the capacity of the public administration and the skills of the social inclusion specialists and other service providers for mainstreaming social inclusion into public policies (including equality awareness)?*
- *What structures are in place, at each level of public administration, to ensure the effective mainstreaming of social inclusion in the public policy cycle – design, implementation and evaluation?*
- *Are there adequate data, statistics, indicators available, at each level of government, to undertake research and evaluation into the levels of poverty and social exclusion?*
- *What arrangements, resources and structures are in place to ensure consultation, involvement and participation of people experiencing poverty and social exclusion, the organisations that represent them and other relevant civil society organisations?*
- *What is the understanding and relevance of mainstreaming social inclusion?*

Main findings

- Total sample of 701
- Regional sample of 367
- Variations across countries
- Variations across units of enquiry (different levels)
- Low number of responses from social partners
- very low response from one of the project partner countries

Number of response per country

	Bulgaria	Czech Rep	France	Ireland	NL	Norway	Portugal	Slovak Rep	UK	Total
Target no. of responses	124	124	174	99	131	99	124	99	224	1217
Actual no. of responses	123	126	71	91	35	44	79	15	117	701
%	99	100	41	92	27	44	64	15	52	585

Understanding and Relevance of MSI Definition of Mainstreaming Social Inclusion:

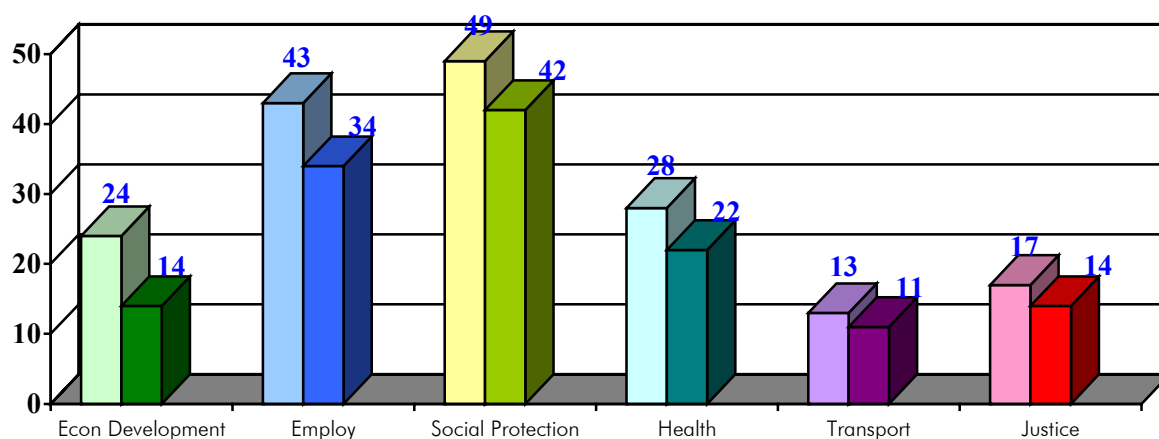
The general understanding of Mainstreaming Social Inclusion came out very high (73 %), 21 % answered "low", while asked about the relevance of MSI definition of Mainstreaming Social Inclusion only 46 % answered "high", 43 % answered "low".

Concerning the question "Reductions in poverty and social exclusion are high on the government agenda?" 46 % answered "high", but 50 % with "low"!

Mainstreaming Social inclusion into policies and legislation

Two questions:

1. Government policies incorporate poverty and social exclusion concerns?
2. Poverty and social exclusion are mainstreamed into legislation?



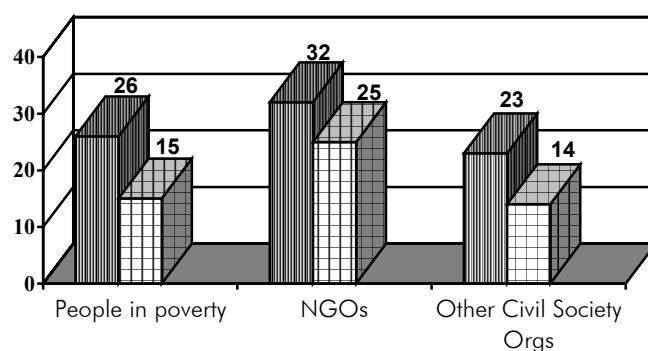
It has to be highlighted that in the policy field of economic development only 24 % answered that it was considered. The comparison between the two questions showed that even in policy fields where the social inclusion concerns are estimated high - like employment - the actual mainstreaming into legislation is considered clearly lower.

Political Priority of different levels of governance

Interviews with different levels of governance showed a lack of communication between the different levels: While at the central level 66% said that “Social Inclusion Policies are a key Political Priority – (High Extent)” at the local municipality level only 33 % asserted this and only 23 % at the regional level.

Consultation and participation

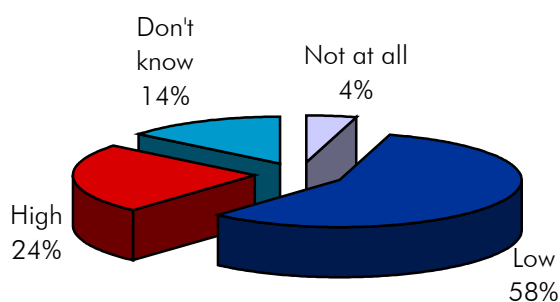
The general approach of the MSI project was that participation (more than only to be consulted) means to have some influence on policy-making, but that without consultation there is no participation. The participation level was always lower among every group.



As the mobilisation of all actors is a key objective of the NAPs/ inclusion process and a main part of the mainstreaming of social inclusion, this section shows that, based on the MSI survey, there is still considerable work to be done. Overall the level of involvement is low, with the NGOs working against poverty being the most involved and people experiencing poverty the least involved.

Impact on government policies

To what extent has the NAPs/inclusion process an impact on government policies and strategies?



The MSI Scale

Proposed measurement for the mainstreaming of social inclusion in Europe is based on the mean score for each section. By placing these on a scale of 0 to 10 indicates where the mainstreaming of social inclusion stands across the nine participating countries

Not at all	To a little extent	To some extent	To a great extent	To a very great extent
0	2.5	5.0	7.5	10

Different sections of mainstreaming were used in the interviews, they stand at different levels of mainstreaming social inclusion: The table below shows that on average it was like “half way through” on the MSI scale designed from 0 to 10.

Political leadership and sponsorship	5,39
Government Policies	4,74
Legislation	4,46
Resources	4,56
Administrative leadership and implementation of policies against poverty and social exclusion	5,10
Capacity and skills	8,43
Structures	5,88
Data, Research and Evaluation	6,99
Engagement and participation	4,47
Mainstreaming Social Inclusion – Main Score	5,56

The survey showed which sections are considered the most advanced and the weakest in view of mainstreaming social inclusion:

Advanced MSI sections

- The employment of specialists in the area of poverty and social exclusion in the three levels of administration
- The provision of awareness training
- The availability of statistics across all levels of administration

Less advanced MSI sections

- The levels of consultation and participation of the relevant actors
- The use of legislation as a tool to advance MSI
- The level of resources allocated across all government policy areas directed towards policies against poverty and social exclusion

Key Results

- The definition of MSI meets peoples' understanding of mainstreaming social exclusion – however, there is some scepticism regarding its relevance in participating countries

'it was what they tried, in so far as they were able, to practice and achieve...'(I-UK)

'mainstreaming social inclusion is still a segmented and isolated concept and it is hard to integrate this dimension to combat poverty and social exclusion into all areas and levels of policy-making' (I-PT)

- There was almost unanimous agreement that poverty and social exclusion issues are on governments' agendas, but, in general this is only to a limited extent

'The real Government orientations are in contradiction with these discourses. The only real policy is to reduce the expenses – this is the priority..' (I-FR)

- There is a good level of mainstreaming of social inclusion into a number of social policy areas, however, social inclusion is not mainstreamed into economic or other 'non-social' policy areas to any great extent

'To an extent national policies in these areas are considered on a stand alone basis but there are exceptions, such as the cross-cutting nature of the Disability Act'

'More generally it would seem to be the case that economic and employment policies are not yet integrated with social inclusion policy in a way that would make them mutually reinforcing' (I-IE)

- There is a lack of understanding on social inclusion policies between the different levels of administration

'There is a lack of mutual knowledge between the central government on one side and local and regional governments on the other side' (I-CZ)

- There is very little evaluation of social inclusion policies at each level of administration but, in particular at the regional and local levels

'Evaluation is a difficult issue. People seem to agree the principle but, in fact, they do not want it for themselves. Concerning my political area, we are going to set up an evaluation, because we have to, but it appears difficult to change mentalities' (I-FR)

- The Common Objective of the NAPs/inclusion to mobilise all the relevant actors in the development of social inclusion policies has, so far, been limited

'Most of the consultation sessions are attended by 'gate keepers' and few of them are affected by poverty and social exclusion. The NGOs are active but again not capable of making a useful impact if they only endorse government policies'(I-IE)

- The NAPs process has had some impact on the social inclusion policies and strategies of governments

'I haven't seen any obvious impact of the NAPs on Government policies – no obvious direct linkage between this strategy and Government policy' (I-IE)

'The Assembly weren't putting a lot of effort into the NAP/inclusion because it was led by the DWP ... there is always a problem about non-devolved policy and how that is dealt with... quite a lot of the social inclusion policies are actually driven from outside Wales' (I-UK)

EMDELA Indicators for the examination and evaluation of local labour market policies with a view to social inclusion

Sandra Kotlenga, Zoom - Society for Prospective Developments e.V., Göttingen, Germany

1. Foundations

Aims of indicator development

In many publications and strategy documents which have appeared in the context of European co-ordination of inclusion policies, active labour market policies are considered to play an important role in overcoming poverty and social exclusion. In implementation, however, in many European member states a separation can be observed between the policy areas of “labour market policies” and “social inclusion”, as well as a one-sided concentration of social policy towards labour market targets. The indicators which we propose are intended to assist in the collection of information on the form, implementation and results of local labour market policies from the point of view of their impact on social inclusion.

In developing the indicators, we started with two leading questions:

- To what extent can Europe-wide trends be discerned? We started by considering different elements of active labour market policies which seemed to be appearing as Europe-wide trends, and which were often considered to be helpful in reaching social and labour market targets: the decentralisation of active labour market policy through the shifting of responsibility to local bodies, the rise in importance of co-operation and networks, increased use of case management, the increasing importance of measuring performance, and finally an increasing connection between social inclusion and labour market integration policies.
- To what extent does local labour market policy contribute to the politics of social inclusion – perhaps also depending on how these trends are implemented?

Initial conditions

Evaluation and monitoring activities have become more important in the areas of social inclusion and active labour market policies, both on the national and EU levels. One of the central challenges in developing the indicators was, however, that the existing and utilised indicator systems in both policy areas show little overlap, or points of entry for the evaluation of active labour market policies with a view to social inclusion. This is in part due to the fact that labour market and social policy aims are not necessarily congruent, and may indeed conflict.

At the same time, on an institutional level both within the EU as well as in the member states, the policy areas “social inclusion” and “employment strategy” have been largely separate, leading to a lack of cohesion between the corresponding systems of evaluation and monitoring.

Amongst the labour market policy evaluation and monitoring activity examined by the project team, aspects of social inclusion were thus for the most part not explicitly present, despite the fact that, on the strategic level, active labour market policies are considered to be very important for social inclusion. At the same time, a one-sided orientation towards the success criterion “job placement” was noticeable: other questions were mostly ignored, on sustainability, integration, work conditions, wage levels, but also wider economic effects such as the promotion of insecure and underpaid jobs through forced acceptance of job offers. In addition, aspects and success criteria beyond simple employment in the labour market, which are particularly relevant for people who are disadvantaged in the labour market (target group consideration, social stabilisation / market substitute function) are mostly completely ignored in the evaluation of labour market policy effectiveness.

It is particularly important to collect appropriate information given the background that, in many EU countries, the use of specific measures is being decided increasingly using business efficiency criteria. This can lead to creaming effects (selection of the “best”), especially when measures are only financed under the requirement that there be a high probability of employment, and thus reduction in costs.

The initial thesis of the project, on the other hand, was that active labour market policies make a contribution to social inclusion when they

- provide chances for participation in society through improving competencies, raising income and offers of social support
- are based on social rights, or respect them
- take account of the most disadvantaged.

This differentiates these measures from those which only deal with social problems to the extent that they affect employability. It further brings into question a praxis which assumes that problems of social exclusion effectively vanish as a side-effect of employment, even in precarious jobs. Work on social problems should not simply be instrumentalised for any and all forms of labour market integration; strategies for labour market integration should rather be understood as one dimension of social inclusion.

Challenges in developing indicators

- One reason for the one-sided orientation on employment in the first labour market taken by labour market policies is the fundamental methodological difficulty of collecting data on non-quantifiable target dimensions. For example, so far no measuring indicators have been developed for social stabilisation and employability – two important dimensions of active labour market policies. An instrument for the evaluation of local labour market policies should however do justice to the different phases of political development and implementation, and also take process-like and qualitative aspects into account.
- The indicators should enable local praxis in different EU countries to be presented and compared. Different task dimensions and functions bring with them different and sometimes contradictory demands on the indicators (local/European, self-evaluation/comparison, detailed/based on classification). Before the background of local and country-specific framework conditions and structures for active labour market policies, on the one hand many, detailed indicators are necessary for the data to be fully informative. On the other hand, the number of indicators should be as small as possible in order for them to be readily handled and applied.
- A further methodological difficulty lies in the fact that much quantitative data is only available as nationally aggregated sample data, and/or is only available for research but not as a basis for evaluation on a local level.

Different types of indicator

Our indicator set combines indicators of different type and function.

- Some indicators are based upon the extraction and use of quantitative empirical data. These include data from employment offices or Job Centres such as integration statistics, as well as statistical data on labour market development, unemployment and poverty.
- Some indicators seek to extract qualitative information. These are particularly used for achieving an overview of the framework conditions, design and general direction of local labour

market policies, e.g. questions of the use of local leeway, the contribution made by civil society, links to other fields of policy.

- Some of the indicators ask for information which may not be available everywhere. These indicators nonetheless have an important function of sensitising to aspects of self-evaluation (rotating door effects/how much exclusion from benefits/availability of social services).

How are our indicators structured?

The indicator set is divided between evaluation indicators and context indicators.

The context indicators contain on the one hand questions on the labour market, poverty and other aspects of social exclusion, and on the other questions intended to examine the structural and institutional framework conditions in the various countries. These data are intended as background information and basis for interpretation. A classic example: the proportion of people finding employment is to be interpreted against the background of different labour market dynamics. It is also important to record which groups are being targeted by active labour market policies in the different countries. In Germany, for example, the definition of employability is comparatively wide. The result of this is that in the UK, for example, many more people receive long-term incapacity benefit, and are thus not included in the target group of the long-term unemployed.

The evaluation indicators are largely divided along the 6 European tendencies described at the beginning. Some of the evaluation indicators are suggested as “key indicators”, and highlighted within the indicator list.

Summary: Limits of indicators

It is very difficult for indicators to prove that the results of labour market policies are indeed due to their effects. Other instruments are required to explain causes and effects. Indicators can in total, however, provide clues to patterns of cause and effect. Indicators can certainly not replace the processes of determining targets and evaluating success, they can only support these and provide them with a foundation. One important function of indicators on a local level should be the provision of information for self-evaluation. This requires a strong willingness to learn, however. A public political and scientific discussion of measurement results is also needed, in order for the data and information won to have practical political relevance.

2. Presentation of individual indicators

The following indicators are a selection from the short list, and are presented here as examples.

Chapter 1: Decentralisation

The indicators summarised here are divided into two areas. Indicators in the first part give information on the freedom of action of local actors in the area of active labour market policy. The indicators in the second part are intended to provide information on whether and how existing freedoms in active labour market policies are actually being used by those responsible on the ground. This does not imply anything about the direction of labour market policy, as more responsibility for local actors may not necessarily be positive for social inclusion. Here the aim is thus to examine local degrees of freedom, and to determine whether independent policy with targets etc. exists at all.

Local room for manoeuvre

1. Local design of measures

“Is there scope for freedom, as well as a flexible budget, for the local accountable institution/ body concerned with ALMP to develop its own locally specific measures?”

The question as to whether local actors have the financial and legal resources for developing their own measures sets a high yardstick for recording local autonomy. We assume, however, that labour market actors have more freedom to form labour market policies tuned to local conditions if their authority is not restricted to distributing existing resources between the centrally specified instruments.

Use of local room for manoeuvre

9. Link to other relevant funding programmes

“Are there programmes concerned with regional or urban development being implemented locally?”

- ⇒ *What proportion of the whole local labour market budget held by the administration is spent on supporting other local regional or urban special programmes (e.g. where the administration supports such other programmes by, for example, subsidising places)?*

Labour market policy has effects beyond that on the immediate individual. It can influence the development of local cultural and social infrastructure as a whole. Here we are interested in the extent to which structural potentials are realised consciously. We have operationalised this in the question of participation in and links to appropriate programmes.

Chapter 2. Co-operations and Networks

To what extent do the responsible decision-makers in active labour market policy involve other actors, particularly civil society actors, in the processes of forming and implementing policy? In the first part of this indicator chapter we ask about the participation of civil society in the conceptual design of active labour market policies, above and beyond the involvement of third sector organisations in delivery. In the second part, we are concerned with the framework conditions present locally for the delivery of labour market and social services, from the point of view of organisations but also their clients.

Relevance of intersectoral networks in designing ALMP

5. Civil society participation in policy development

“Is there a cross sectoral network / committee (involving the municipality, local economy and civil society actors) which is involved in developing ALMP?”

If so,

- ⇒ *What is the proportion of civil society actors in the total number of participants?*
- ⇒ *Are representatives of unemployed people involved?*
- ⇒ *Are representatives of work integration organisations involved?*
- ⇒ *Are representatives of social services involved?”*

The indicator “Civil society participation in policy development” is concerned in the first place with the question as to whether the responsible administrative body includes other societal actors (in addition to the social partners) in the development and planning of active labour market policies. The focus here is on representatives of civil society. As examples, we have chosen three relevant areas which are closely related to active labour market policies: unemployed people themselves,

social services and integration organisations. The background to this is that civil society encompasses a wide range of disparate perspectives and interests; many service suppliers are, for example, active in a – sometimes contradictory – double function as social advocates and, at the same time, contractors. It is thus important to look in detail, not just at civil society participation in general.

6. Competences policy network

“What is the main function of the network?”

- ⇒ *Information given by the responsible body*
- ⇒ *Communication and consultation*
- ⇒ *Co-operation and steering”*

The previous indicator has only a limited utility in determining the actual participation possibilities for civil society actors. The question of the competencies of policy networks, on the other hand, focusses on the character and concrete possibilities for participation enjoyed by civil society actors. The question of competences held by the policy network is focussed on the character and the concrete possibilities for participation which the network enjoys. Is it a co-operation of equals, or just satisfying a duty to inform? We have differentiated between three levels: information (the administration informs), communication and consultation (can subjects be brought onto the agenda by others?), and finally co-operation (a degree of decision-making power and common planning),

Organisational framework of work integration and social services

18. Availability of social services

Which of the following social services might be available within about four weeks of them being requested by the client?

- *Financial debt counselling*
 - *Childcare service*
 - *Care of relatives in need of care*
 - *Psychosocial counselling and assistance*
 - *Addiction counselling*
 - *Counselling or advice on social benefits and assistance*
- ⇒ *Are these services available to all citizens in equal measure independent of their labour market status?*

We chose this indicator against the background of increasing discussions about linking labour market policies and social services. Whether and how this happens is essentially dependent on what infrastructure is available. As an indicator for availability, we ask not only whether these services exist in general, but also what the chances are for needs to be quickly covered. We have listed various areas which are specified explicitly in the German law on long-term unemployment as being so-called flanking services. We have added independent social advice to the list, e.g. on questions of benefits.

The sub-heading was chosen under the impression that social services are increasingly also being made available only under the target perspective “increasing labour market chances”, and not as the inalienable right of every citizen to support in problem situations.

Chapter 3. Case Management

The term and its application are not precisely defined, and in addition are different in the various European countries. It refers to a principle whereby individually tailored and integrated support / advice is supposed to be provided to the unemployed person within the designated JobCentre or employment service by one counsellor.

13. Intensity of advice / support

"How many unemployed people, on average, does one case manager / advisor have to advise.

- ⇒ all categories of unemployed people
- ⇒ young unemployed people"

This is a quite clear and quantitative indicator about the personnel conditions under which interviews are carried out in the JobCenters. We have also discovered in our research that it has a very wide variance, from 74 to 400 unemployed people per case manager. A lower number does not provide any information on the actual quality of advice given, but with a case-load of 400 people it is however clear that individually tailored counselling is not achievable.

Chapter 4. Empowerment and Emphasis on Responsibilities

This relates to case management, but asks about its quality and the position taken between the poles of empowerment and a restrictive emphasis on responsibilities. The indicators presented here are divided into three sub-chapters. a) How is the contact between the unemployed person and their case manager organised? b) Is case management oriented towards the use and increase of existing resources as well as to the needs of the client? c) Which rights do unemployed people have in their contact with their designated administrative body, and which resources are available to them for forcing these rights to be respected?

Contact between clients and case managers

17. Change option

"Is it possible for the client to change a case manager?"

The case manager (CM) has the responsibility to take different problems into account and to procure the appropriate services. In some countries, this is connected to a contradictory role between assessment and sanctioning on the one hand, and support on the other. In connection with generous freedom of action, this can mean a strong dependence on the individual CM and their decisions. In view of the prominent position given to case managers in some countries at least, it thus seemed central to us to ask about possibilities of changing the CM.

This indicator is a good example of when information received can have different relevance in different contexts. Our Finnish project colleague, for example, explained to us that while changing CM was theoretically possible, in view of the many thinly occupied regions of the country it was however not practical when only one CM is responsible for a radius of 150km. In Great Britain the question was also met with amazement, as case management in the sense of a wide-ranging consultation was practically irrelevant in the regions examined, and the terminology was also unknown. The question seemed as relevant as the ability to choose between different queues at the Post Office.

Resource orientation of the counselling and integration process

36. Reasonability limits

"Are there reasonability limits in obliging clients to accept a job?"

- ⇒ *Reasonable salary per hour as a proportion of the average salary for this work (particularly if no minimum wage exists)*
- ⇒ *Reasonable hours of driving time to place of work per week compared to working hours per week"*

We suggest this indicator against the following background. The practice of activating clients frequently goes hand in hand with the duty to accept job offers in the low-paid sector, often together with a demand of flexibility in travelling. The question of binding limits to what is "reasonable" has an enormous effect on the material situation of the unemployed / employed, and on their social and family situation. This aspect is thus decisive when looking at the extent to which activation contributes to social inclusion, or on the contrary strengthens exclusion, particularly in countries without a minimum wage. In addition to this, the specification of minimum standards has effects beyond that on the individual, affecting working conditions in general.

Rights of the unemployed

21. Voluntariness of measures

"Is the participation in measures voluntary?"

- ⇒ *If not, which sanctions are imposed in the case of the client's refusal?"*

This is a sensitising indicator, and one which collects concrete information on the consequences of refusing a measure. The question as to whether supporting measures are voluntary seems almost passé in the current general trend to activating measures. It is, however, still extremely relevant, especially as the discourse on activating in the area of labour market policy explicitly refers to social concepts of work. Here there is a prevailing professional demand that supporting measures be voluntary. This is based on the one hand on ethical and political reasons, and on the other on the recognition that the positive effect of interventions depend on whether or not they are aimed at strengthening the resources and interests of those affected.

Chapter 5. Work Integration and Social Inclusion

This large chapter is divided into two parts. We differentiate between labour market services on the one hand, and their results and measures of success on the other.

a) Output – ALMP benefits and measures

Which, if any, labour market instruments are applied can have a far-ranging influence on the chances of participation for each unemployed individual. In order for active labour market policies to be able to contribute to improving employment chances and social inclusion, they should be aimed at an immediate and long-term improvement in income, and extension of resources. From the point of view of social inclusion, creaming effects in particular need to be avoided.

Considering target groups and variety of measures

22. Services and transfers of long-term unemployed

- ⇒ *"Total long-term unemployed population as a proportion of the total unemployed population aged 15 years and over.*
- ⇒ *Proportion of long-term unemployed receiving benefits or assistance*
- ⇒ *Proportion of long-term unemployed receiving ALMP-measures*

⇒ *Proportion of long-term unemployed receiving supportive measures*

This indicator is intended to provide an overview of the weighting given to the various types of services for the long-term unemployed, in comparison to those for the rest: monetary support, labour market measures, and the procuring of supporting social assistance.

This indicator should show the disparate realities in the different countries and local structures. It is interesting, for example, that in Italy labour market services are provided, but no basic income support. In Germany, on the other hand, many long-term unemployed people classified as difficult to employ receive no labour market services at all.

The relationship between active and passive services is often expressed in financial resources. This information is only of limited use, however, as the emphasis can also be increased towards active services by lowering transfer payments. For this reason we consider it to be important to ask about the proportions involved.

23. Application of instruments/policy mechanisms to different profiling groups

“Which relevance do different instruments or policy mechanisms have in the different profiling/target groups - differentiated by extent of placement problems(crosstab):

X% of unemployed with a) no b) solvable c) severe placement problems receive or take part in:

- *start up loans*
- *unpaid work experience or community work*
- *wage subsidies*
- *job creation*
- *qualification measures*
- *job sharing*
- *no ALMP – measures*

In some countries, so-called “profiling” has become popular, whereby the unemployed are divided into different categories. This indicator asks which percentage of each profiling group receives which measures.

We present this indicator for three reasons: firstly, it shows whether the spectrum of measures is fully utilised, or whether everyone receives the same measures despite the division into groups.

Secondly, it shows to what extent unemployed people who are classified as having severe placement problems take part in active measures at all. Behind this lies the question of whether the division is leading to creaming effects taking place, where only those judged to be without or less placement problems are given support.

Finally, we note our classification of measures once more. The top level categories of qualification, supported employment, start-up assistance, and wage subsidies are often used. Based upon our studies, we found it to be useful to differentiate between short-term and unpaid measures of work experience, and training and education measures with certified qualification playing a part, e.g. (further) education. For publicly subsidised employment too, one should differentiate between unpaid public benefit work, during which the unemployed person continues to receive basic support, and cases where new employment has been generated using labour market policy funds, based upon regular employment conditions. For this reason, we have defined qualification and subsidised employment more tightly, and introduced a new category of “unpaid work experience or work programme”.

Resource Enrichment / Capability Orientation

25. Duration of measures

“Proportion of short-term measures (under 6 months) in relation to long-term measures (longer than 6 months),

- ⇒ Expressed by number who participate in these measures*
- ⇒ Expressed by financial resources”*

The background here is the assumption that active labour market policies which take all target groups into consideration and are aimed towards a long-term increase in resources should not be restricted to short-term supporting measures; and that a lasting improvement in competence also requires a longer period of support.

Chapter 5. Work Integration and Social Inclusion

b. Outcome: Impact and evaluation of labour market measures and services

The measures of success and methods of evaluation for local labour market policy are examined here. In the second part, the question of the effects of labour market services are looked at. Considering sustainability and the identification of possible exclusion effects, we also ask the extent to which exclusion from services and revolving door effects appear.

Evaluation of active labour market policy

27. Social supportive measures within evaluation

“Are activities of work integration organisations concerning supportive advice and other support services (e.g. access to social counselling, health and child care etc.) considered within the performance measurement and evaluation of ALMP?”

This is concerned on the one hand with the question of whether aspects and services other than successful employment are considered when measuring the success of labour market policies (should this take place at all). Employment in the first labour market immediately following a measure is seldom possible, for structural labour market reasons alone. Measures carried out under other aspects and dimensions (social stabilisation, gain in competencies) can however be very effective. This also affects the role of the labour market policy service providers, whose work is often considered to be ineffective because no criteria other than employment successes are considered. The question of criteria for success is closely connected to the question as to whether independent resources are available for an approach which combines social and employment support. This has a decisive effect on how labour market service providers deal with those clients who have little chance of integration into the labour market. A single-minded focus on successes in employment often brings with it creaming effects, given competition between labour market service providers.

29. Inquiries of participants

“Are there obligatory interviews with participants within the evaluation of measures?”

- ⇒ If so, which of the following dimensions are participants asked about*
 - Development of financial / material situation*
 - Development of social and familial situation*
 - Development of individual capabilities*
 - Use of support and health care services*
 - Development of occupational competencies*

- *Labour market related success of measures*

⇒ *Does an obligatory procedure to integrate the results of such interviews into the further design and development of ALMPs exist?"*

The question of whether participant perspectives are taken into account when judging success is important. Which aspects are considered, and do the results play a part in further planning?

Success of measures

31. Transition rates after 12 months

Share of participants who participate in the following measures:

- *Start-up loans*
- *Unpaid work experience*
- *Wage subsidies*
- *Job creation*
- *Qualification measures*
- *Job sharing*

and what is the situation 12 months after successfully completing the measure (data in %)

- ⇒ *Pension / incapacity to work*
- ⇒ *Other (maternity leave, illness, emigration, death, ...)*
- ⇒ *Continuance in unemployment broken down by those:*
 - *with social assistance*
 - *without social assistance*
 - *with subsequent ALMP measure*
- ⇒ *Continuance or transition to the so-called private labour market, broken down by those:*
 - *with marginal employment without social insurance*
 - *with further wage subsidies*
 - *with further assistance*

In view of the increasing amount of precarious employment in most European member states, we suggest that the quality of newly joined employment should be taken into account when measuring the success of active measures. In addition, at least a mid-term perspective (1 year) should be aimed for when judging success. Many measures, especially those which target long-term gain of competencies, show their effects over time and not immediately on completing the measure; they can however be more sustainable and longer-lasting. This is shown by European evaluation results, particularly in the area of further education.

Sustainability and exclusion from benefits

32. Churn effects

"What is the proportion of people currently drawing benefits who are, in fact, 'returners': people who are claiming again after having left the register during the last two years?"

Here we want to know how many of those who stopped receiving services within the last two years are again receiving them. We distinguish between three reasons why transfer payments were stopped. This idea comes from the UK, where a high percentage of young people return after falling out of the system of support because of failing their duty to co-operate. This is thus a measuring indicator for long-term effects.

33. Leaving rate

Proportion of long-term unemployed who opt out of social benefits but stay unemployed (p.a.)

This indicator was developed particularly in view of exclusion from services, especially because of restrictive practices in providing support, for example in connection with sanction-threatening activating measures. It is important to record these departures for two reasons. Firstly, this information is relevant for a realistic interpretation of labour market statistics: in some countries people who are unemployed but not receiving transfer payments are not recorded as being unemployed. This can lead to exclusion from services being evaluated positively in the statistics, without any corresponding improvement in the employment situation. In Germany, for example, half of the latest reduction in the unemployment rate can be traced to this type of displacement processes. Secondly, far-reaching social exclusion effects are also induced, because of the serious reduction in the possibilities for independent material survival and chances of participation in labour market services.

Indicators of social exclusion from the point of view of those affected¹⁰

Prof. Dr. Walter Hanesch, University of applied science, Darmstadt, Germany

Defining the problem

With the Lisbon European Council, “open methods of coordination” were also introduced for the target of “social integration”.

A central element of open coordination is a model of “indicator supported policies”.

- Which demands on the political process arise from this policy model?
- Which demands arise on which indicators to use?
- How is the project to be evaluated, and with it the attempt to develop an approach to the choice of appropriate indicators which is oriented towards those immediately affected?
- What are the demands made on science and politics to include the perspective of those directly affected?

Demands on the political process

The “open methods of coordination” offer the chance for a new quality in political-administrative choice and evaluation of aims in the field of policy on poverty, through:

- acquisition and measurement of the type and degree of deprived situations using indicators,
- formulation of aims for the elimination of poverty and exclusion on the basis of the same indicators,
- the use of indicators to scrutinise the effect of programmes and measures and thus the extent to which the aims have been reached.

In Germany, social policy has been marked by a style of politics where ambitious aims and programmes are formulated. Evaluation of achieved delivery has so far been the exception.

To what extent have the demands / possibilities of the new model been satisfied in the National Action Plans on social inclusion (NAPinclusion)?

- National government sees NAPs as a reporting instance to the EU, not as an instrument for further development of policy.
- NAP aims are formulated in a general and non-binding fashion. Aims are only occasionally formulated with reference to specific indicators.
- Evaluation of aims has so far not been a systematic part of the NAPs.

A precise definition of aims and evaluation is a sensitive topic because of the following dilemma in current policy on poverty.

- ⇒ On the one hand, it is committed to contributing to a reduction in poverty and exclusion;
- ⇒ On the other, a degradation in standards of social protection - with its associated risk of poverty - is to be undertaken, under the imprimatur of employment policy.

¹⁰ This contribution is based on a slide presentation of the speaker. With regard to a consistent documentation of the contributions the contents of the slides were transformed into another textformat.

German NAPs contain neither a complete catalogue of such cuts in benefits together with an estimation of foreseeable effects, nor are these measures presented and evaluated in their relation to the circumstances of the poor, or to the aims of the NAP.

Demands on the indicators

In the future, indicators will form a central basis for political action. Choice of indicators and their applicability with thus be decisive for how appropriate this indicator-supported policy procedure will be, and for the accuracy of its results. High demands on the set of indicators used result from this increased significance:

- Indicator-based policy must carry out evaluation of required and successful action based on less, but more meaningful, information on the circumstances of the population.
- A connection between specific indicator results and demand for social-political action is assumed.
- This assumption must be based upon a discriminating cause-effect analysis on the one hand, and on normative formulation of aims on the other.

Demands on the indicators to be used in measuring social exclusion (following Atkinson et al.):

- An indicator should mark the core of a problem, and show a clear normative meaning
- It should be robust and statistically valid
- It should react to political measures (but not be prone to manipulation)
- It should be prompt and revisable and
- Measurement should not be excessively burdensome.

The catalogue of indicators presented to date by experts at the level of the EU and member states are hardly suitable for fulfilling the specified criteria. This is also the case for the Laeken indicators upon which the Open Method of Co-ordination (OMC) is based.

A further criticism is that in these indicators the points of view and approaches of those affected has not sufficiently been taken into account.

An indicator catalogue oriented on those affected

In an EU-sponsored pilot project of the Diakonischen Werk together with Darmstadt University, an attempt was made to develop an indicator catalogue which is oriented on affected people.

Aims:

- ⇒ The currently very narrow range of poverty and exclusion indicators should be examined and extended as necessary.
- ⇒ At the same time, the specific experiences and points of view of affected groups in the population is to be brought into the process of formulating indicators.

Problem definition:

As the points of view and approaches to this issue taken by those threatened or affected by exclusion are currently unknown,

- ⇒ the inclusion of points of view of those affected should be achieved, at the least by the involvement of representatives of self-help organisations and projects,

⇒ particularly, a limited survey should be carried out of people affected by poverty.

Recording the point of view of those affected for the development of an indicator catalogue brought up methodological problems:

- Empirical surveys usually only reach particular groups, other important groups remain invisible.
- The development of indicators for social exclusion is not immediately clear or interesting for those affected.
- A wide, representative survey was not realisable in the context of this project. Only an exploratory study in the form of a pilot study could be carried out.
- In total, 59 people affected or threatened by exclusion took part in the questionnaire: these were clients of state or free welfare groups, or members of self-help initiatives.
- The choice of addressees led to a serious pre-selection of those involved in the questionnaire.
- The survey took the form of an introductory personal interview on the one hand, and a written questionnaire on the other.
- Abstract indicators were not asked for. Instead, respondents were given statements written in the first person in which individual aspects of deprivation and exclusion were described.
- The selection of aspects of life relevant to social exclusion included a combination from the areas of income and capital/debt, and the five "areas of life / livelihood" - education, wage labour, habitation, health, and participation in society.
- A list of individual problems or aspects was provided for appraisal for each of these six dimensions. The list could be corrected and extended.
- The indicator catalogue was extended by items which all respondents rated as important, as well as those which were rated particularly highly by specific groups and those which the respondents themselves added to the lists.

Project result:

- The catalogue of "Poverty indicators from the point of view of those affected" which resulted thus includes six dimensions for measuring exclusion and the effectiveness of measures against exclusion. Ten individual aspects were chosen for each dimension, giving a catalogue of 60 individual indicators in total.
- The catalogue in this form is neither "better" nor "more representative" than currently utilised sets of indicators. This approach requires further scientific foundation, on the basis of sufficient resources.
- The project and the indicator catalogue are intended as a stimulus for scientific research and for policy to take up this approach and to develop it further. (See e.g. "Entwicklung eines Armutsstandards auf Befragungsbasis" by Breadline-Britain/UK and Andreß/Germany).

Demands arising from the project:

- The points of view of the groups of people affected by the problem field of poverty and exclusion should be surveyed and presented.
- Existing indicator catalogues should be expanded to include indicators on further aspects of the problem – in particular those which people who are themselves affected consider to be important.

- Data and information on poverty and exclusion should be further expanded for this reason, especially on the non-monetary aspects of life situations.
- Many of the problem aspects named by those affected refer to deficits in the formulation and execution of welfare-state services and measures.
- Indicator-supported policy (on poverty) especially requires continual critical attention.

Annex

Catalogue "Poverty indicators from the point of view of those affected"

Education Indicators

- *No completed school education*
- *No completed vocational training*
- *Lack of reading and writing skills*
- *Lack of skills in computer use*
- *Lack of ability to budget and run a household*
- *No access to required additional support for children in the family*
- *Children not continuing school studies because of additional monetary burden*
- *Reliance on financial support from a child support agency because of monetary burden of childcare costs*
- *Lack of knowledge of financial support possibilities by the child support agency or support for training and education*
- *Despite knowledge of it, financial assistance for childcare is not taken advantage of.*

Waged Labour Indicators

- *Length of current unemployment*
- *Frequency of unemployment within given period (3 years)*
- *Lack of information and advice in looking for a job*
- *Lack of effect of advice and help in looking for a job*
- *Ability to choose when accepting reasonable work*
- *Address of residency as barrier to being offered a job or traineeship*
- *Lack of compatibility between family and job due to lack of appropriate childcare places*
- *Lack of right to unemployment benefits*
- *Lack of access to labour market integration measures*
- *Lack of effect of labour market integration measures*

Income/Capital Indicators

- *High levels of debt*
- *Lack of information about or access to a debt advice centre*
- *Household income lies below the poverty line, and/or quality of life is below the societally accepted minimum standard*
- *Household income is irregular and insecure*
- *Lack of access to a bank account*
- *Duration of current entitlement to income assistance*
- *Relative amount of entitlement to income assistance: Income assistance lies below the poverty line for the household*
- *The legal entitlement to income assistance cannot be (fully) redeemed*

- Lack of knowledge about legal rights to social services and assistance
- Despite knowledge of legal rights, income assistance is not taken advantage of

Living Conditions Indicators

- Homelessness or acute threat of homelessness
- Insecure living conditions (without tenancy agreement or given notice)
- High burden on income through rent/additional expenses, despite housing benefit
- Lack of space
- Living in a sub-standard home, i.e. no central heating, bathroom or shower in flat
- Factual lack of access to council housing despite need
- Lack of information on financial assistance for living expenses
- Lack of information on advice and assistance for problems with the rent
- Housing lies in stressful social surroundings
- Lack of access to transport near the housing

Health Indicators

- Difficulty in accessing medical assistance in case of illness due to lack of health insurance
- Difficulty in accessing medical assistance in case of illness due to dismissal by doctor or hospital
- Lack of aids to participation in society despite handicap
- Restrictions in everyday life due to physical or mental handicap
- Frequent and/or regular consumption of illegal drugs/alcohol/pills
- Frequent and/or chronic illness
- Feeling swamped by daily responsibilities
- Lack of advice, support or assistance from social services for health or mental problems
- Not utilising necessary medicines and medical assistance because of monetary cost
- Lack of access to healthy and nutritious diet for financial reasons

Participation in Societal Life Indicators

- Lack of ability to communicate in German
- Lack of family members or friends to discuss problems with
- Lack of family members or friends who can be relied upon for help and support
- Everyday experience of disadvantage due to family situation
- Everyday experience of discrimination due to language/cultural background or ethnic group
- Experience of violence in the family
- Experience of violence in home neighbourhood
- Lack of knowledge about services available in case of personal problems
- Not taking advantage of existing services
- Lack of possibilities for participation in cultural or free-time activities due to income burden

Panel discussion

"...the point, however, is to change it!" - The importance of monitoring and evaluation in assessing effectiveness and policy development in Europe

Chair: Dr. Thomas Mirbach

Panelists

- Eric Marlier: CEPS/ Instead Research Institute, Luxembourg
- Peter Lelie, European Commission, Directorate General for Employment, Social Affairs and Equal Opportunities, Brussels, Belgium
- Dr.Volker Baetghe-Kinsky, SOFI Göttingen, MONAPOLI Network (Monitoring Employment Market Policy), Germany
- Dr.Regina Konle-Seidl, Institute for Employment Market Research (IAB), Nürnberg, Germany
- Dr.Mike Aiken, Research Institute Cooperatives, Open University, Milton Keynes

As introduction, the podium speakers were asked to give short answers to the following two questions, based on their own experiences:

⇒ What do you consider to be the limits and potentials of evaluation?

⇒ Do you think that evaluation influences policy development, and if so, how?

Introductory Statements

Eric Marlier

I have been asked to reflect on two fairly broad issues. Firstly, the potential and limits of monitoring and evaluation in the field of active labour market policy and/or social inclusion. Secondly, the impact of monitoring and evaluation activities on policy development. Given that I only have about 5 minutes to address these important issues, I will consider them together and provide you just with some elements of answer.

Monitoring and evaluation are important for various reasons. In particular:

- they can help anchor the Open Method of Coordination (OMC) in the social field (i.e., the so-called EU Social Protection and Social Inclusion Process) at EU, national and sub-national levels;
- they can help countries to mainstream the social protection and social inclusion objectives into all relevant public policies (employment, economic/budgetary, education/training, environment, etc) and also into the structural funds programmes. In other words, they can help countries to fully incorporate these objectives into their policy- and decision-making processes at all relevant levels (national and sub-national);
- they can also help the EU to mainstream the social protection and social inclusion objectives;
- they can help countries to move towards (more) evidence-based policies, developed on the basis of: 1°) a diagnosis of the causes of poverty and social exclusion; as well as 2°) an explicit analysis of the expected relationship between policies, on the one hand, and the countries' social protection and inclusion objectives on the other hand.

Monitoring and evaluation can thus help countries to carry out (more) *strategic* policy planning exercises in the field of social protection and social inclusion, and to develop actual *action plans* in which input, output and outcome indicators are all properly linked to each other and are all part of a comprehensive *analytical and monitoring framework*. It is only in this way that strategies implemented by countries can be objective driven, and can follow a focused, targeted and monitored approach.

Monitoring and evaluation (which in my view includes *impact assessment* and in-depth analysis) can also help countries and the EU to *adjust* specific employment, economic and environmental policies so as to optimise their potential contribution to promoting social cohesion.

These are areas where there is a real potential to boost and also where there is indeed an impact already happening on policy development – partly as a result of the mutual learning strongly encouraged under the EU social OMC.

The limits to the full exploitation of this potential are both political and technical limits. Several of the potentialities I have just gone through do represent a real challenge for countries and the EU, even though a lot of progress has already been made on various aspects.

Let me start with what I think may be among the most important technical limits (or better said “challenges”):

- being clear on the diagnosis of the causes of poverty and social exclusion that is to be tackled;
- analysing the expected relationship between policies and the objectives set by the countries;
- carrying out systematic policy impact assessment (both ex ante and ex post);
- linking the input, output and outcome indicators to one another in a comprehensive analytical and monitoring framework;
- mainstreaming social protection and social inclusion does also require a lot of data, a lot of analysis and a lot of expertise which at the moment is not sufficient at both country and EU levels.

There is obviously the need for significant investment in statistical and analytical capacity for being in the position to take up these technical challenges.

As to the political limits, they include the following:

- The need for countries to ensure joint-up government. In other words, the need for countries to ensure a consistent, integrated and coordinated approach to policies when developing their strategies in the social protection and inclusion field (mobilising the various ministries and ministers that can usefully contribute to these strategies: the ones in charge of social protection and inclusion of course, but also the many others which can include employment, education, economic affairs, budget, justice, environment... depending on the policies concerned).
- The need for countries and the EU to improve further the effective participation of stakeholders, social partners, NGOs and, in fact, all relevant actors.
- The need to do more in the field of international comparative analysis. One has to make more use of the common indicators, one has to go further with benchmarking... even if one needs to avoid naming and shaming as it is often more harmful than helpful.
- One needs to deepen mutual learning, and maybe focus less on policies and more on processes that support these policies (i.e.: how concretely do you implement your policies; how concretely do you ensure that information that is available (and that is best collected) at local

level, regional level and national level, is in the end all organised in a consistent and coherent way; ...).

- And, finally: a key political limit is that countries and the EU need to put the necessary financial and human resources to be in a position to take up the above (and other) technical challenges.

Peter Lelie

As I am supposed to answer the question on the basis of my own experiences I am going to speak about the European level. If we are talking about possibilities with regard to monitoring and evaluation it is very important for us to see if in the European Union there is any best practice that we can use as a basis for mutual learning. The guidelines that were produced for the latest round of National Actions Plans on social inclusion were focused on making the NAPs much more strategic than in the past: Focusing on a few priorities, setting targets, giving the underlying policy theory (link between policy instruments and results) and also specifying arrangements for monitoring and evaluating policy. What we have been doing at the EC is to screen the NAPs on arrangements for monitoring and evaluation. At first we were a bit disappointed: apparently we had too high hopes: we expected countries to be really detailed about what arrangements they had. Some countries did provide a lot of information but others didn't. Of course there are these countries where monitoring and evaluation is an accepted tradition: I am referring for instance to the UK, Ireland, Portugal, where you have an impressive system in place. These countries should be the object of peer reviews and other countries should try to learn from what is happening there. Looking at the different NAPs - especially with regard to the local level - one of the initiatives in the Netherlands is interesting. Yesterday we were talking about the experience in the Emdela project concerning the question: do employment offices, social services at the local level use performance measurement information? I was told that data being collected at the local level often is sent to the national level while at the local level there is no feedback. In the Netherlands we have found that they have set up a website and defined a set of indicators; they publish the results of the indicators for different municipalities. In providing this instrument for the local level, local actors are enabled to compare their own performance with the performance of other municipalities. Another important question is: how do you ensure that targets on the national level trickle down to the local level? In the UK there is a system of rewarding local authorities if they are contributing to the national targets. More broadly, the Czech Republic or Portugal are working on methodologies to try to link local indicator systems to the national indicator system. I used to work in the Belgian administration and I coordinated a working group on social inclusion indicators there: Our problem also was: we had a good representation in the group of the national level and the community and regional level, but we didn't have local authorities. And part of the problem was that many of our indicators were designed to be comparable on the European level as they were based on national and European surveys. We did not have the opportunity to go down to the local level and we did not succeed in disaggregating. To sum up: There are a lot of good practices and we should focus on and try to find out whether they are really good practices. It would not be good to focus only on the large NAP monitoring systems for all social inclusion priorities. A better way to proceed could be to focus on some more specific issues and to try to find out whether there are interesting proposals and practices. Here are two examples of what is happening now. First, in the Indicator Sub-Group of the EU Social Protection Committee there is this task force on child poverty looking in particular at monitoring systems for child poverty. By the end of the year we will be able to see whether by concentrating on this one issue we will have obtained interesting results for mutual learning. A second example concerns our peer review in social inclusion programme. We are going to organize eight of those this year. The themes are decided by the member countries who are participating in the

OMC. We are thinking of how to have the peer review not only focus on the good practice being presented but also looking specifically at how to measure success. If we can have a focus on this in each of the eight reviews, then maybe at the end of the programme we will be able to bring everything together and see whether there are more general conclusions to be drawn as a basis for mutual learning.

Concerning the second question: what is the impact of monitoring and evaluation on policy? One important thing we found in one of the NAPs is this idea of ex-ante poverty impact assessment or ex-ante social inclusion impact assessment as it has been used in Ireland for instance. The idea behind this is to bring together the information we already have on the expected impact of the proposed policy and to consider this before actually taking the decision. This system is being used now at the level of the European Commission, there is an obligation for each directorate general if it is launching a new initiative to present an ex ante impact assessment. And this is treated in interservice consultations which means that all other DG's get a chance to look at the impact assessment and they may e.g. point out that specific impacts (e.g. on social inclusion) have been overlooked in certain cases. I myself participated in some of these exercises and some are really challenging. For instance, we had to examine an impact assessment with regard to a new renewable energy initiative and we had to ask ourselves whether there is a social inclusion aspect. The challenge is further to develop a kind of a toolbox and to take what we have got from all the studies the Commission has financed in the field of social inclusion and use it in assessing impacts of new initiatives.

Volker Baethge-Kinsky

I will start with the first question. One cannot make a general judgement of what evaluation is capable of. It is a fact, however, that the latest evaluations in Germany in particular have opened up a new dimension in labour market research. This is clearly the case, despite all the criticisms that I have about how it was actually carried out in the end. I would like to point out that we are spending around 90 million Euros on labour market impact research every 8 years in Germany. A large part of this will certainly go to the IAB, but some also for the research which has just been completed, namely the evaluation of the Hartz I-III laws. The problem with this evaluation is that it has one target indicator, integration in non-state supported wage labour, and – as we have long criticised – the whole breadth of targets for labour market policy instruments has been entirely ignored. The final report for this evaluation appeared in December, and it is odd that in the report's summary this target is still held up, despite the fact that the instrument being evaluated has formally not been employed for this target of “integration in non-state supported waged labour” for the last two years. I am talking about the job-creating measures (*Arbeitsbeschaffungsmaßnahmen* or ABM), which in Germany are now – according to the official objectives named in the relevant law – intended to function as a replacement for integration in the first labour market. For this reason, the instrument has been evaluated as not effective, or rather has been rated low by the Ministry based on the evaluation, because no additional integration effects into the first labour market were achieved compared to groups which were not given this support.

A third point is as follows. We talk about “best practice”, we talk about categories such as employability or social stabilisation, without a process of communication having taken place about what these actually mean. What is employability? In the political discussion in Germany, I have the impression that we mean: people have deficits, and these must be corrected. For me, employability is a relational category concerned with the relationships between individuals and labour markets, in the form of companies which have demand on labour markets. And one must of course ask whether what is required from unemployed people, and the qualifications which they are to acquire, are not due to increasing demands from companies and workplaces, but rather that recruiting criteria have simply changed because we have more labour looking for work. We must also

look very critically at the question as to whether everything that the EU launched has really been useful. The target criteria are kept so general that they can easily be agreed with; but the routes towards them, and this means the answer to the question “how do we conduct this process?”, are at the least questionable.

I would like to illustrate this with the example of decentralisation. Decentralisation is not a cure-all, and it is also not always positive, as we know from 20 years of sociological research on organisations. One particular form of decentralisation is effective, if it is not only responsibility in the sense of “he must take responsibility and pay” which is displaced downwards, but also authority, and this means control over the disposition of resources. The question of these models, and the question as to how such a process should be steered, have not yet been answered, although I have the impression today that my colleagues from zoom have already functionally addressed the problem. But beyond this, a discussion of the general concepts is still missing.

I will now look at the second point, on the meaning of evaluation and monitoring for policy development. I am extremely pessimistic that policy is just waiting for us in Germany. In my opinion, politics wants quick, clear results and recommendations, not scientific expertise, and this can be seen in the next generation of evaluation programmes. Looking at the break-neck speed with which these evaluations have been carried out, I sometimes have the suspicion, to put it carefully, that the sponsors, in this case the Ministries, have made sure that people have not had enough time to think and to prepare their research. It was all planned so tightly that the question forces itself upon us as to where the time could be found for reflection and discussion, time which was however necessary in order to come to an agreement about how to carry out the research, as well as how to interpret the results.

I shall now say a few words about the example of “best practice”. We know from organisations research that “good practice” often consists of examples from companies which were successful 10 years ago, and have gone bankrupt in the meantime. Carrying this over to the field of organisational models for labour market policy, I would warn against believing that one can simply transfer ideas from other countries. If “good practice” simply means facing problems in an imaginative way, then I'm all for it.

Regina Konle-Seidl

I will not go into the Hartz evaluation, my colleague has illuminated that very critically already. I am not quite as sceptical despite the criticised time restrictions, because it has provided some results which can be found in evaluations beyond our national borders, in Sweden, the Netherlands or Great Britain, i.e. in countries which have had a culture of evaluation for far longer.

Taking the *Bundesagentur für Arbeit* (BA, federal employment agency) as an example, I would like to explain what monitoring means for active labour market policies in comparison with evaluation. Since 2003 at the latest, i.e. since the Hartz reforms and the resulting reorganisation, indicators have not only been formulated, i.e. targets set in the form of indicators, but have also been used in steering processes. That is, steering has been done via targets. The important targets are pre-defined: integration in wage labour, especially in not-state subsidized work, but also in subsidised work. These targets are then operationalized using a series of indicators. A central target is, for example, a reduction in the actual length of time spent unemployed. The individual job agencies are then measured using this criterion, and resources are allocated accordingly. On monitoring: since the introduction of the new law in 1998, the BA has been using statistics on retention and integration for the measures it carries out. The retention quota asks “Are people still unemployed after 6 months?”, and the success quota asks “Are they in work paying social insurance contribu-

tions?" The success statistics are widely different for different measures. Monetary integration support has a success quota of 70%, ABM (job-creating measures) of 20%. These analyses are part of monitoring. They present early information about the results of the instruments used.

Effects are difficult to measure, as has been said. Effect is defined scientifically as causal connection, however. What would have happened if the person had not taken part in this measure? I do not want to go into the methods in detail, but precisely this causal connection between participation in a measure and the situation afterwards – measured as successful integration into the labour market, usually – is defined as effect. The BA, together with the IAB, is currently working on applying such an effect analysis for operative use: there is a project where, on a small, Agency, scale research is being carried out as to which measures were most effective for which people in the past. The aim is for these results also to be used operatively, that is to apply them and to supply them to facilitators for guidance. This is one possibility for applying scientifically based evaluation results in a practical way.

Briefly on the second question, about the meaning of evaluation and monitoring for policy development. Expenditure on active work support within the BA has gone down by a third between 2002 and 2006, from 21 billion to 15 billion – a significant amount. The number of participants has however remained more or less constant, and the success statistics of the individual measures have not got worse. Above all, a reorganisation of resources has taken place, for example from long, expensive education measures to short training measures. This can certainly also be considered as being a result of monitoring and evaluation activity.

Mike Aiken

The first point I wanted to make was, the United Kingdom is crazy about evaluation, and there is monitoring and evaluation everywhere. There are targets, outputs, outcomes, evidence based policy, and "what works". I think it is important to challenge this a little bit. Because I think the assumption is in programmes and in policy making that there, on one side of the room, are the rational policy makers, who sit down in a very neutral way, they assess all the evidence, all the information, come to a rational decision and that is then the way the policy or the programme will go. On the other side of the room you can imagine the pragmatic policy makers, who would recognize that basically policy does not happen in that kind of vacuum. It consists of people making political deals, there is a crisis in the newspaper about some social issue and so policy suddenly develops in this area, there are agreements between interest and lobby groups, and that might be trade unions or big business or third sector groups, and so policy does not necessarily move in a rational direction and even when we have measures and indicators, the way those are applied and who makes the decisions about what should count, and whether this or that indicator has been met are open questions. They all are subject to processes which are submerged and saturated with interests or ideologies or ideas. So I think we need to be careful about thinking of policy as this purely rational process.

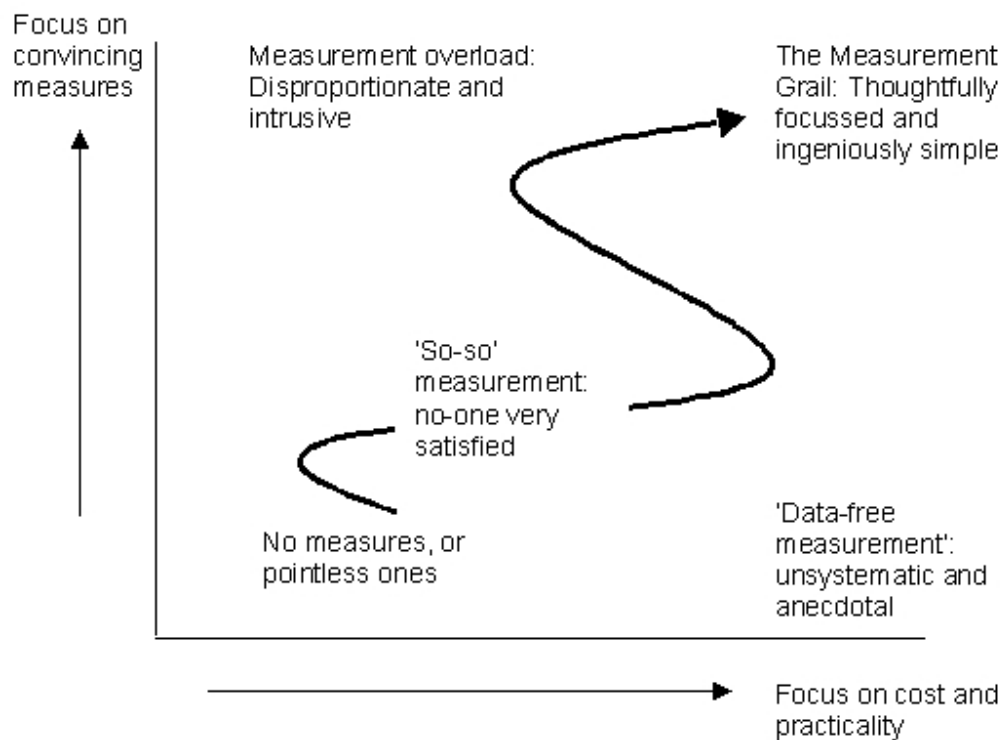
Now for the second question. Firstly I want to give a positive example of the influence that third sector organisations can have on policy. One is a organisation in the UK, a foundation called the Joseph Rowntree Foundation, that has been involved in poverty and social inclusion research for over a hundred years and it has written in the last 15 years about 95 separate pieces of research. You could say they were banging their head against a brick wall, but if you look at certain government policy now, you can see that a lot of their ideas around housing and social exclusion have entered into the policy mainstream. I think this is a very positive example. On the other hand you can find plenty of examples, where programme policy decisions have been made before very expensive evaluations have even been completed. The Sure Start Programme around development

of child care in the UK is one example of that and also the Healthy Living Centers where important decisions were made, both positive and negative, before the expensive evaluations had reported. So that challenges the idea that things always progress in a very rational way. Political interests, expediences, elections, trade-offs, all have their roles to play. You can get to the point where you need an indicator for everything, and the ultimate result of this is you would need indicators for indicators. Who evaluates the value of evaluation? And colleagues here were talking about the costs of evaluation. If you look at programme level evaluation (as opposed to policy evaluation) which I most familiar with in the third sector you can have people in very small community projects, who instead of working with social excluded people maybe spend 20% of their time, and by that 20% of their money, on monitoring figures, data, making reports. So accountability for public money is very important, but sometimes you have the feeling in the UK the monitoring is more important than the project. And this is clearly a crazy position. The importance of timely data is rather more important than an enormous amount of data.

There is another point I wanted to pick up, which actually refers to the EMDELA research. There is this tension we have between national targets, made for good reasons by policy makers, and local decentralisation. The tension is that if the targets are made nationally, what room is there on a local level for actors to affect the agenda according to their understanding of the local needs? I can give you a specific example which was in Nottingham. There is a target for every area in the UK what the rates of employment should be. 80% is the theoretical maximum that you can have for employment. In Nottingham, in the organisations I visited their target is around 60%. But they can never achieve that even if their town is very similar to other towns because of the geographical basis of Nottingham. The boundary is drawn around the inner city of Nottingham, so if you go to an area like Bristol the same boundary includes the suburbs, slightly richer areas. And so people may succeed in getting jobs and they move to the suburb but they are still in the catchment area in towns like Bristol, so they are counted as increasing the employment rate. But in Nottingham, if a person gets a job, they move a few kilometres outside of that boundary, so they do not count and new poor people arrive in the inner city who may be unemployed and so the rate remains the same despite positive work being undertaken. The number is counted but not the flow. So you can not compare Bristol and Nottingham and say "Nottingham is terrible, their employment rate always remains so low". There are always these decisions around boundaries and what is measured that affect these kind of categories.

The final point I wanted to make is to show this diagram. The idea here is that you start at the bottom left hand corner of the graph, where the two lines meet, where you have no measures and you are not focussing at all on the cost of those things. Then you have this lurch upwards towards trying to create measures to measure everything and then you find you are measuring to many things and it is too expensive and it is not worth the results, so you turn to the right and swagger to the right hand side. The idea of the diagram is to show there is not a final answer to the problem, it is a dilemma, and that you are moving in a slightly swagger one way and then slightly back the other way and so there is a debate and a contesting about how much and what kind of measurement should be made and in a sense that is what we are doing today.¹¹

¹¹ I am grateful to Rob Paton for introducing me to this diagram from Hampden-Turner which we cite in: Aiken, M. & Paton, R. (2006) *Evaluation of the National Outcomes Dissemination Programme 2003-6*, Milton Keynes: Public Interest and Non-profit Management Research Unit, Open University Business School.



Questions and comments from the audience

It is remarked upon that daily politics is influenced by a multitude of factors – for example lobbies or politicians' desire to be re-elected – and does not follow the classical model of rational policy. There are nonetheless expectations and hopes, especially in social policy, that politics could become a little more transparent and rational if it would orient itself on rationally defined targets and methods, and thus be easier to judge. The concept of social indicators and the use of monitoring and evaluation could help in this quality improvement. On the other hand, experiences of evaluation in Germany are currently rather painful, for example in labour market policy. Indeed, the Hartz reforms were also partly a result of the political use of research on effects, and have had awful results. The existing structures and concepts of active labour market policy were destroyed in the Hartz 1-4 reforms several years ago, with the only argument in favour being lack of labour market success. New concepts were introduced which succeeded even less than what came before, both in terms of integration successes of active labour market measures and in the treatment of the long-term unemployed under Hartz 4.

Evaluation alone is thus not enough, a very method-critical discussion about evaluation is essential. What are the concepts being used, what is the theoretical foundation of evaluations, what are the methodological concepts? Too short observation periods, for example, can lead to almost every instrument being evaluated negatively. With other concepts one finds other results. In the case of the Hartz evaluation, the result was that support for vocational training was largely dismantled, and instruments of active labour market support such as employment in public works were introduced which are de facto new forms of poverty trap. That which has been introduced as a result of evaluation is in no way better than the practice beforehand.

Comment Konle-Seidl

Ms Konle-Seidl disagrees with the view that support for further training was negatively evaluated in the Hart evaluation results; on the contrary, it was evaluated positively. Support for further training was indeed severely reduced before the evaluation was carried out for the BMAS, but she hopes that the positive evaluation will result in appropriate consequences.

She further points out that the Hartz reforms are only based on scientific evaluation results to a very limited degree, as at the time relevant research was only partially available. A wide-ranging evaluation, beyond the classical instruments, was only carried out at the same time as the Hartz reforms.

Contribution from the audience

Following on from Mike Aiken's remarks on a "rational idea of policy", the general question is raised as to whether it is possible at all to create a contradiction-free architecture out of Europe-wide over-arching targets, corresponding national targets and local strategies by coordinating different political planes. As an answer, it is suggested that these planes should be seen as being loosely coupled, and to assume something like a "reflected opportunism" at all levels. This means that e.g. in Germany there are projects which have their own local target horizon, and which look to see whether they can use EU or national offers in reaching their own targets. This does not negate dialogue between the different levels, but gives it more the character of a mutual negotiation about the degree of similarity which one can achieve in order to remain in reference to one another.

The two EU representatives are asked what experiences they will take with them from a relatively grass-roots conference? A second question is asked of Ms. Konle-Seidl: In what way is the tension between social inclusion and labour market integration discussed at the *Institut für Arbeitsmarkt und Berufsforschung* (IAB, Institute for Labour Market Research), and what are the processes of change in this relationship?

Contribution from the audience

It is difficult to find common ground for understanding with the different speeds and diverse voices in the EU. This is still in its infancy, but has started well towards creating a horizon that is at least to some extent comparable, so that a Europe-wide binding discussion could be entered into.

Monitoring and evaluation need to have a central role in strengthening the social dimension in employment policy, in order to be able to affect policy development or discourse. However difficult this has seemed to be in reality, it does form an important basis which has indeed started off some political discussions.

Contribution from the audience

The question as to how evaluation and monitoring results are used in the political process is raised again. One problem is the over-simplification of results, the problematic reduction to individual aspects, e.g. in active labour market policy a focus only on success in finding work in the first labour market. Another difficulty, however, is that some debates are shut out by the many monitoring and evaluation activities, debates which could be carried out without detailed statistical information. This can be seen in the very detailed Hartz evaluations. The basic direction, and also the in-

struments, could and should have been discussed on the basis of already existing experiences, but were often put off with a reference to the evaluation results which were to appear. Financial costs of evaluation thus sometimes even received a legitimating and placatory character. This effect is precisely the opposite of what was hoped for by many critical social scientists. The EU representatives are asked about the extent to which this kind of treatment of evaluation can be seen at the EU level.

Contribution from the audience

Continuing from the criticisms already raised, it is emphasised that those who are carrying out projects on the ground need to be sensitised for self-evaluation, and need to be involved in the evaluation. The contributor speaks in favour of carrying out more formative evaluations for steering the process, rather than only summative evaluations to judge success post facto. Self-evaluation of projects on the ground should also be supported.

It is also suggested that those responsible for programmes and projects at a higher level, e.g. civil servants at the Ministries, should take more responsibility and not just wait for the evaluation results. Sometimes results and reports were hardly even taken notice of by those involved in the projects themselves.

Closing statements from the podium speakers

Closing statement Eric Marlier

I do not think it is up to researchers to decide on policies; this is (and has to remain) the responsibility of policy makers. However, I strongly believe that researchers (and in particular independent researchers) have a role to play in the political process not only *ex post* but also *ex ante*, i.e. both before the decision to implement (or not implement) a given policy is made *and* after a policy is actually launched. This *role for researchers* is directly linked to the technical challenges that I discussed in my introductory statement earlier today – namely, it includes in-depth analysis, impact assessment, monitoring and evaluation. We want policies to be effective, we want them to work and we want decision makers to be well informed on the likelihood for a policy to reach its objectives *before* they actually launch it. *Ex ante* assessments are too often neglected.

On a totally different issue now: the (national and possibly sub-national as well) “*electoral cycle*”, which we have not discussed so far despite the important impact it can have on national policy making as well as EU coordination. The electoral cycle, which is generally four to five years, is often not long enough for a policy to be designed (“*design*”, in my view, has to include the required *ex ante* assessments), launched... and to start bearing fruits. Policy makers may therefore have to commit future governments, which can pose major difficulties in terms of planning, in terms of the continuation of policies... There is no solution for this. However, it is to be hoped that evidence-based policies, that have been designed on the basis of a joined-up government *and* administrative approach, whose results are regularly monitored and evaluated, etc. would be more likely to go through several policy cycles if indeed the assessments are encouraging...

The electoral cycle is also a major issue as far as the OMC is concerned. Indeed, at EU-27 level a national electoral cycle of four to five years means concretely that the expected number of national elections in a typical year is six or seven! Sub-national elections or intra-coalition realignments may also result in changes of approach. Consequently, delays in meeting reporting timetables should in fact be regarded as normal rather than exceptional. This has an incidental effect for EU level reports, and the OMC in general.

To finish with, let me answer your last questions:

- It is indeed striking how little knowledge people still have of the EU Social Protection and Social Inclusion Process despite the efforts made at EU and national level to increase its awareness. And it is also always surprising to hear so often from those who are aware of it that “everything is steered by Brussels”, whereas it is in fact essentially a Member States’ Process that is coordinated by the European Commission; the (key!) role of the Commission in the OMC is to be the independent “driving force” of the Process. So, awareness-raising campaigns definitely need to go on! And what is crucial is that citizens feel that the Process indeed “makes a difference”. One has to embed the process in the hearts of EU citizens!
- The EMDELA project goes down at the very local level, which is a real challenge indeed. Even though I understand your temptation, I believe that you should resist and avoid suggesting commonly agreed EU indicators for things that are to be measured/ dealt with at local level. The best way forward would probably be to: 1°) propose the appropriate indicators at local level (as you have done already, even though a selection among these may be needed to decrease their number); and 2°) suggest ways that could usefully establish some links between these locally developed indicators and the EU indicators. The most obvious link is probably through national indicators which could then be linked to EU indicators.

Closing statement Peter Lelie

Concerning the question: what have we learned during this conference? I am not an expert on the local level. The Conference reminded me again of the importance of trying to see how the different levels fit together in the end. By the way, I don’t want to be misunderstood when I spoke earlier about trickling down targets to the local level. The idea is not that we should impose some kind of uniformity over a country while there are different conditions. It is only that somewhere there has to be some kind of a connection between what is happening on different policy levels.

The remarks about the irrationality of politics are very important. We can not base our actions solely on the idea that we have these rational policy actors who will react to facts which cannot be discussed because they are clear for everyone. I further would like to react to the statement by one of the other speakers that it is impossible to really learn from other countries. The whole foundation of the OMC is trying to have mutual learning. But this is not about just copying models you see in another country which has completely different conditions. It is about intelligent learning. It means looking maybe also for things not to do, maybe there are bad practices we can learn from? If you say we can not learn from each other, this implies that you are taking away the basis of the OMC on the European level. On the point someone made on the question if there is a danger of avoiding political debates by referring to evaluation activities: I totally agree with the idea that a set of indicators should not be imposed. It should be discussed, also involving stakeholders in a kind of self-evaluation. I can assure you that at the European level decisions concerning the common indicators are based on long discussions (months or even years). If we want to have a good set of indicators it has to be discussed with all stakeholders.

Closing statement Baethge-Kinsky

What has clearly come out as a problem is that we have no good models for this process of social integration. We already know something about the targets, feel our way forwards and operationalize them. But how this process is shaped is still unclear. I hope that we will know much more about the essence of this process of social integration in the future, namely the way in which individuals and institutions work together towards the perspective of integration, both material and also imma-

terial. For this to happen, we of course need to know far more about the quality of services supplied, and in Germany this is still terra incognita, we are just beginning to find out about it. And I think that we, on the scientific side, are ourselves responsible for carrying the specification of indicators, their operationalization, and the definition of categories into the processes of discussion between the countries and the EU in order to change things. So we too have a political duty.

Closing statement Konle-Seidl

On the assessment that political decision-makers use running evaluations to put off and avoid debates, I would say that the definition of targets must be carried out on the political plane; so to this extent I would agree with this criticism. The politically defined target is, incidentally, not only integration in wage labour. Social integration is also quite consciously included in the law as a target, there just aren't any good measurement concepts for it. In the BA, operationalization through progress in integration is planned in the context of the development of a steering model for the ARGE. The idea is to remove obstacles, and this is how success is measured. If childcare is not available, for example, or if there are psychosocial problems, progress in these areas is measured over time. From 2008, this convergence towards integration as a target and success criteria should be contained in the control system. The possibilities for measuring this kind of thing validly are, however, limited.

We all agree that the "work first" approach is only a short-term strategy. The massive use of ABM (jobs created in the Third Sector based on subsidized work) in East Germany certainly had other target dimensions in addition to an immediate integration into the labour market, but these were not measured in the micro-economic evaluation studies. On the question about how the tension between social inclusion and labour market integration expresses itself within the IAB, I would like to say that we are principally charged with carrying out the Hartz IV evaluation. Because of the new legal requirements we have also created a new research area, unemployment and participation, which examines precisely these connections. We have also initiated a budget panel for recording the low-income area, which is now starting. This tension is thus indeed an object of our research. Nevertheless, integration into wage labour, whether short or long-term, remains the central target, both on the political plane and as specified in the law.

Closing statement Mike Aiken

I have not heard anything that I have really disagreed with in the discussion because everybody has had one small part of the jigsaw and so I do not think there is a final answer. I do feel a little bit as if maybe - I was right when I used the diagram to illustrate the process we are going through - in a sense that the process of thinking about evaluation and monitoring and how to use indicators is not a final debate, it needs opening up and so the diagram of the drunken stagger still convinces me because we have engaged in that very 'search and find' stagger in this debate! To some extent what that says to me is that if evaluations, monitoring processes, indicators are seen to be so important and if they are isolated from other processes of discussion then we can end up with perverse effects. Because people just concentrate on the target and indicator and can forget about everything else. This process of engagement with the issues of *the work being undertaken* is very important – to be guided but not blinded by the monitoring data.

There are two things I would conclude with, one would be, that maybe, if evaluations, monitoring, indicators are becoming very central for policy making, maybe we need to democratise the process, so that different groups have access to this involvement, and I hope, in a small way we have done that in the EMDELA project and I hope that is done elsewhere too. The second point is that

evaluation and monitoring processes should not be used either to stop the process of learning or political debate and that we just get the result at the end, you pass or you fail, that is a danger because so often the evaluations are related to whether a programme in particular will continue to get funding or whether another programme like it will get funding. Therefore there is a necessary tension: people want to have good results and that can inhibit learning both within projects and across policies because people are afraid of losing their jobs, and the only people that are not afraid are the people doing evaluations, because there is always another evaluation! And I have to say I make a large part of my living from doing evaluations so I have got a professional interest in there being lots of evaluations! So I end with a self-critical note.

Summary of the 2nd day

Dr. Thomas Mirbach, Lawaetz Foundation, Hamburg, Germany

From my point of view, the discussion today has made it clear again that we need to distinguish between two aspects when we think about the purpose (or uselessness) of indicators, though they are closely related in the practice of evaluation.

One aspect concerns the methodological side of the construction of indicators. What should indicators represent? Are they about the extent to which targets have been met by labour market policy instruments and programmes, or about the structure and development of problems of social exclusion? And what sort of knowledge is to be created – generalisable knowledge, which is typically based on macro-indicators, or more specific, context-dependent knowledge like in the project EMDELA itself? The role which should be played by qualitative indicators intended to take into account the effects that social exclusion have on everyday life – such as the project by the *Diakonischen Werk* presented by Walter Hanesch – is also disputed. After all, we all know that the observation of processes of social integration, including integration into the labour market, cannot be reduced to a handful of central indicators. In short, questions about the construction of indicators should not be seen as self-evident. In this area the European Commission has certainly managed to give monitoring and evaluation many innovative impulses. The contributions by Eric Marlier and Peter Lelie have both made this clear, in different ways. However the Commission has, from the point of view of the local level in any case, not always avoided the impression that it was most interested in a technocratic “master plan”, a plan based on EU-wide indicators which is mainly concerned with serving the Lisbon Agenda indices. Mike Aiken presented this idea of a supposedly “rational” policy very ironically.

The second point concerns the use of the results of evaluations and accompanying research. We must bear in mind that possible contracting parties and users of evaluations do not apply results, they use them. This is an important distinction. When they use evaluations, the contracting party decides what they will take up and what they will ignore. From the point of view of the evaluators, this is often a black box: we do not initially know why one report lands in a drawer while another is summarized in three bullet points and disseminated everywhere. This, and the decisions based upon it, are processes which the evaluators cannot control. This is already true in the noticeable difference between gross and net results – evaluation results are often treated unseen as though they would allow an unambiguous judgement to be made about the corresponding programme or instrument. Volker Baethge-Kinsky has rightly criticised this, under the name of effect research. What is considered as effect depends largely on the time frame in which programmes or instruments are observed - as Regina Konle-Seidl emphasised. An instrument may appear ineffective in the short term, but, if followed over a longer period, turn out to be very effective. Ultimately, in our interpretation of research results in particular, we must take into account the different levels and contexts in which we now move in this process, the connection between social integration and labour market policy. And this connection between the perspectives of researchers, practitioners and political actors, of different political levels – from the local and federal up to the national and EU levels – should be seen pragmatically. We are always moving within a many-voiced choir of interests and professional competencies. So-called best practice solutions which could be declared as supra-national standards form the exception. My own experience has been that intelligent solutions to problems must come from “below”, and are tied into the practical context from which they arise; political intelligence in this case lies in enabling this, and not restricting it.

In my view, this underlines once again how important it is that we organise discussion processes about both aspects: about the construction and orientation of indicators as well as about their use in the context of policy and politics. In this way we can try to wield some influence, by making the decisions clear upon which the formation of indicators and use of evaluation were based, what

could be said using them and what could not. The local level seems most appropriate for these discussions initially; but this does not preclude the possibility of other levels joining in.

Schedule, March 1st 2007

Active Labour Market Policy in Context of European Inclusion Strategies

Chairperson: Adalbert Evers

13.00 **Registration and Refreshments**

14.00 **Welcome and Introduction**

- *Adalbert Evers, Justus Liebig University of Gießen, Germany*
- *Peter Lelie, European Commission, Directorate General for Employment, Social Affairs and Equal Opportunities, Brussels, Belgium*

14.15 **The Basic Idea of EMDELA**

Niklas Forreiter, Zoom – Society for Prospective Developments e.V., Göttingen, Germany
Andreas D. Schulz, Justus Liebig University of Gießen, Germany

14.30 **Active Labour Market Policies: Structures and Developments in Different European Countries – Brief Presentations**

- *Germany*
Karsten Schuldt, Progress Institute for Economic Research, Teltow
- *Italy*
Monica Loss, Research Institute Non Profit Organisations, University of Trento
- *United Kingdom*
Mike Aiken, Research Institute Cooperatives, Open University, Milton Keynes
- *Finland*
Pekka Pattiniemi, Idekoop (social cooperative for training and consulting), Helsinki
- *Slovakia*
Martina Sekulova, Institute for Public Affairs, Bratislava

Plenary discussion: **Active Labour Market Policies – National and European Trends**

16.30	Coffee Break
17.00	<p>Panel Discussion</p> <p>Active Labour Market Policies in Europe – Do Local and Network Approaches Promote Social Inclusion of Long-term Unemployed?</p> <ul style="list-style-type: none">• Anne Ames, BAG-SHI, Federal Organisation of Social Assistance Initiatives, Germany• Heiner Brülle, Office for Social Work, Wiesbaden, Germany• Angela Genova, Institute for Sociology, University of Urbino, Italy• Karsten McGovern, Head of Social Services Department, Marburg-Biedenkopf, Germany• Sari Toiviainen, Duuri Network (social and employment related support for unemployed), Helsinki, Finland
18.30	End of the Session
19.30	Dinner

Schedule, March 2nd 2007

Performance Measurement of Active Labour Market Policy and Social Inclusion Policy

Chairperson: Thomas Mirbach, Lawaetz-Foundation, Hamburg

- 09.00 Evaluating and Monitoring in the Field of Active Labour Market Policy and Social Inclusion: Design and Methodical Approaches in Different Projects – Brief Presentations
- Social Indicators as OMC Related Instruments in the Field of European Inclusion Policy
Eric Marlier, CEPS/Instead Research Institute, Luxembourg
 - Project Mainstreaming Social Inclusion
Izabela Litewska, Combat Poverty Agency, Dublin, Ireland
 - EMDELA – Indicators to Evaluate Active Labour Market Policy in View of Social Inclusion
Sandra Kotlenga, Zoom e.V., Göttingen, Germany
 - Indicators of social exclusion from the point of view of those affected
Walter Hanesch, University of Applied Science Darmstadt, Germany
- Plenary discussion: **Content and Method related Requirements on Performance Measurement of Labour Market Policies in View of Social Inclusion**
- 11.00 Coffee Break
- 11.30 Panel Discussion
- “...the point, however, is to change it!” - The importance of monitoring and evaluation in assessing effectiveness and policy development in Europe**
- *Eric Marlier: CEPS/ Instead Research Institute, Luxembourg*
 - *Peter Lelie, European Commission, Directorate General for Employment, Social Affairs and Equal Opportunities, Brussels, Belgium*
 - *Volker Baetghe-Kinsky, SOFI Göttingen, MONAPOLI Network (Monitoring Employment Market Policy), Germany*
 - *Regina Konle-Seidl, Institute for Employment Market Research (IAB), Nürnberg, Germany*
 - *Mike Aiken, Research Institute Cooperatives, Open University, Milton Keynes*
- 13.00 Resumee
- 13.15 End of the Session

Participants list

Name	Organisation	Stadt	Land
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